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AGREEMENT
~~BETWEEN OWNER AND ENGINEER~~
FOR
PROFESSIONAL ENGINEERING SERVICES

Prepared by

ENGINEERS JOINT CONTRACT DOCUMENTS COMMITTEE



and

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This Agreement has been prepared for use with the Standard General Conditions of the Construction Contract (EJCDC C-700, 2007 Edition). Their provisions are interrelated, and a change in one may necessitate a change in the other. For guidance on the completion and use of this Agreement, see EJCDC User's Guide to the Owner-Engineer Agreement, EJCDC E-001, 2009 Edition.

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1420 King Street, Alexandria, VA 22314-2794
(703) 684-2882
www.nspe.org

American Council of Engineering Companies
1015 15th Street N.W., Washington, DC 20005
(202) 347-7474
www.acec.org

American Society of Civil Engineers
1801 Alexander Bell Drive, Reston, VA 20191-4400
(800) 548-2723
www.asce.org

Associated General Contractors of America
2300 Wilson Boulevard, Suite 400, Arlington, VA 22201-3308
(703) 548-3118
www.agc.org

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ENGINEERS JOINT CONTRACT
DOCUMENTS COMMITTEE

**AGREEMENT
BETWEEN OWNER AND ENGINEER
FOR
PROFESSIONAL ENGINEERING SERVICES**

THIS IS AN AGREEMENT effective as of November 6, 2012 ("Effective Date") between

County of San Luis Obispo ("Owner") and

Carollo Engineers ("Engineer").

Owner's Project, of which Engineer's services under this Agreement are a part, is generally identified as follows: Los Osos Water Recycling Facility, Los Osos, California

("Project").

Engineer's services under this Agreement are generally identified as follows:

Comprehensive design engineering services for complete detailed design of the Los Osos Water Recycling Facility, including, but not limited to; the preparation of complete detailed design plans and Specifications for the construction of the water recycling facility, recycled water storage ponds, access road to the site, road widening along Los Osos Valley Road which will be included as part of the Owner's bid documents and Construction Contract. Said engineering services shall also include other services set forth in this Agreement, including, but not limited to, engineering support work during the bidding, award, and construction phases of the Construction Contract.

Owner and Engineer further agree as follows:

ARTICLE 1 – SERVICES OF ENGINEER

1.01 Scope

- A. Engineer shall provide, or cause to be provided, the services set forth herein and in Exhibit A.

ARTICLE 2 – OWNER’S RESPONSIBILITIES

2.01 General

- A. Owner shall have the responsibilities set forth herein and in Exhibit B. Other than those authorizations and/or approvals described in Exhibits A or C as requiring the approval of the Owner’s Board of Supervisors or Director of Public Works and Transportation, the Owner’s Representative designated in this Agreement pursuant to Paragraph 8.03.A., below is authorized to issue any and all authorizations, and to act as the Owner’s Representative pursuant to Paragraph 8.03.A. below.
- B. Owner shall pay Engineer as set forth in Exhibit C.
- C. Owner shall be responsible for, and Engineer may rely upon, the accuracy and completeness of all requirements, programs, instructions, reports, data, and other information furnished by Owner (hereafter collectively “Owner Information”) to Engineer pursuant to this Agreement. Engineer may use such ~~requirements, programs, instructions, reports, data, and information~~ Owner Information in performing or furnishing services under this Agreement, unless the Engineer becomes aware of any information that is inconsistent with any Owner Information. In such event, the Engineer shall promptly notify the Owner of such inconsistent information and advise Owner as to how the inconsistency should be addressed or reconciled.

As list of all such Owner Information is listed in Appendix 1 to Exhibit B. Owner shall respond in writing to any written requests of Engineer that additional information be considered “Owner Information” under this Agreement within 10 business days of receiving Engineer’s written request. The Owner Information list can only be modified by the Owner’s written acceptance of such a written request by the Engineer. If Owner does not provide a written response within said 10-day period, the request shall be deemed to have been denied by the Owner.

ARTICLE 3 – SCHEDULE FOR RENDERING SERVICES

3.01 Commencement

- A. Engineer is authorized to begin rendering services as of the Effective Date. The Engineer acknowledges that the Basic Services set forth under Paragraphs A1.04 (“Construction Phase”) and A1.05 (“Post-Construction Phase”) of Exhibit A are not yet authorized by the Owner, and such authorization can only come from a subsequent authorization by the Owner’s Board of Supervisors (Board). If the Owner’s Board does not authorize the Engineer to proceed with the Construction Phase and Post-Construction Phase services, the Engineer shall not be entitled to any compensation for any services related to these Phases.

3.02 Time for Completion

- A. Engineer shall complete its obligations within a reasonable time. Specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided in Exhibit A, and are hereby agreed to be reasonable. Engineer shall carry out its responsibility in a timely manner so as to not delay Engineer’s performance of its services.

- B. If, through no fault of Engineer, such periods of time or dates are changed, or the orderly and continuous progress of Engineer's services is impaired, or Engineer's services are delayed or suspended, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- C. If Owner authorizes changes in the scope, extent, or character of the Project, then the time for completion of Engineer's services, and the rates and amounts of Engineer's compensation, shall be adjusted equitably.
- D. Owner shall make decisions and carry out its other responsibilities in a timely manner so as not to delay the Engineer's performance of its services.
- E. If Engineer fails, through its own fault, to complete the performance required within this Agreement within the time set forth, as duly adjusted, then Owner shall be entitled, ~~as its sole remedy,~~ to the recovery of direct damages, ~~if any,~~ resulting from such failure.

ARTICLE 4 – INVOICES AND PAYMENTS

4.01 Invoices

- A. *Preparation and Submittal of Invoices:* Engineer shall prepare invoices in accordance with its standard invoicing practices and the terms of Exhibit C. Engineer shall submit its invoices to Owner on a monthly basis. Invoices are due and payable within 30 days of receipt.

4.02 Payments

- A. *Application to Interest and Principal:* Payment will be credited first to any interest owed to Engineer and then to principal.
- B. *Failure to Pay:* If Owner fails to make any undisputed payment due Engineer for services and expenses within 30 days after receipt of Engineer's invoice, then:
 1. ~~a~~Amounts due Engineer will ~~be increased~~ accrue interest at the rate of ~~1.0~~ 0.5% (one half of one percent) per month ~~(or the maximum rate of interest permitted by law, if less)~~ from said thirtieth day; and
 2. Engineer may, after giving seven days written notice to Owner, suspend services under this Agreement until Owner has paid in full all amounts due for services, expenses, and other related charges. Owner waives any and all claims against Engineer for any such suspension.
- C. *Disputed Invoices:* If Owner contests an invoice, Owner shall promptly advise Engineer of the specific basis for doing so, may withhold only that portion so contested, and must pay the undisputed portion. After a disputed item has been settled, Engineer shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice for the disputed item only.
- D. *Legislative Actions:* If after the Effective Date any governmental entity takes a legislative action that imposes taxes, fees, or charges on Engineer's services or compensation under this Agreement

(other than an action affecting a state or federal income tax rate), then the Engineer may invoice such new taxes, fees, or charges as a Reimbursable Expense to which a factor of 1.0 shall be applied. Owner shall reimburse Engineer for the cost of such invoiced new taxes, fees, and charges; such reimbursement shall be in addition to the compensation to which Engineer is entitled under the terms of Exhibit C.

E. Continuing Obligation to Perform: Under no circumstances shall a disputed invoice be the grounds for the Engineer's delay or refusal to timely perform any services contemplated by this Agreement.

ARTICLE 5 – OPINIONS OF COST

5.01 *Opinions of Probable Construction Cost*

- A. Engineer's opinions of probable Construction Cost are to be made on the basis of Engineer's experience and qualifications and represent Engineer's best judgment as an experienced and qualified professional generally familiar with the construction industry. However, because Engineer has no control over the cost of labor, materials, equipment, or services furnished by others, or over contractors' methods of determining prices, or over competitive bidding or market conditions, Engineer cannot and does not guarantee that proposals, bids, or actual Construction Cost will not vary from opinions of probable Construction Cost prepared by Engineer. If Owner requires greater assurance as to probable Construction Cost, Owner must employ an independent cost estimator as provided in Exhibit B.

5.02 *Designing to Construction Cost Limit*

- A. If a Construction Cost limit is established between Owner and Engineer, such Construction Cost limit and a statement of Engineer's rights and responsibilities with respect thereto will be specifically set forth in Exhibit F, "Construction Cost Limit," to this Agreement.

5.03 *Opinions of Total Project Costs*

- A. The services, if any, of Engineer with respect to Total Project Costs shall be limited to assisting the Owner in collating the various cost categories which comprise Total Project Costs. Engineer assumes no responsibility for the accuracy of any opinions of Total Project Costs.

ARTICLE 6 – GENERAL CONSIDERATIONS

6.01 *Standards of Performance*

- A. *Standard of Care:* The standard of care for all professional engineering and related services performed or furnished by Engineer under this Agreement will be the care and skill ordinarily used by members of the subject profession practicing under similar circumstances at the same time and in the same locality. ~~Engineer makes no warranties, express or implied, under this Agreement or otherwise, in connection with Engineer's services.~~
- B. *Technical Accuracy:* Owner shall not be responsible for discovering deficiencies in the technical accuracy of Engineer's services. Engineer shall correct deficiencies in technical accuracy without

additional compensation, unless such corrective action is directly attributable to deficiencies in Owner-furnished information.

- C. *Consultants:* Subject to the requirement that services be performed in a manner consistent with Exhibit A, Engineer may employ or hire such Consultants as Engineer deems necessary to assist in the performance or furnishing of the services, subject to reasonable, timely, and substantive objections by Owner. Owner shall be provided prior notice of the Engineer's use of any Consultant not listed in Appendix 1 of Exhibit A for services related to this Agreement whenever there is a reasonable likelihood that the total sums paid by Engineer to said Consultant will exceed \$25,000. Nothing contained in this Agreement or otherwise, shall create any contractual relation between the Owner and any Consultant, and no use of any Consultants by Engineer shall relieve the Engineer of its responsibilities and obligations hereunder. The Engineer agrees to be as fully responsible to the Owner for the acts and omissions of its Consultants and of persons either directly or indirectly employed or hired by any of them as it is for the acts and omissions of persons directly employed by the Engineer. The Engineer's responsibility to pay its Consultants is an independent obligation that is separate and distinct from the Owner's responsibility to make payments to the Engineer under this Agreement.
- D. *Reliance on Others:* Subject to the standard of care set forth in Paragraph 6.01.A, Engineer and its Consultants may use or rely upon design elements and information ordinarily or customarily furnished by others, including, but not limited to, ~~specialty contractors~~, manufacturers, suppliers, and the publishers of technical standards. Notwithstanding the foregoing, services provided by Engineer, including, but not limited to, any Documents provided or furnished by Engineer to Owner, shall satisfy the standard of care set forth in Paragraph 6.01.A.
- E. *Compliance with Laws and Regulations, and Policies and Procedures:*
1. Engineer and Owner shall comply with applicable Laws and regulations.
 2. Prior to the Effective Date, Owner provided to Engineer in writing any and all policies and procedures of Owner applicable to Engineer's performance of services under this Agreement; provided to Engineer in writing. The title(s) of said policies and procedures are included in the list of Owner Information in Appendix 1 to Exhibit B. Engineer shall comply with such policies and procedures, subject to the standard of care set forth in Paragraph 6.01.A, and to the extent compliance is not inconsistent with professional practice requirements.
 3. ~~This Agreement is based on Laws and Regulations and Owner-provided written policies and procedures as of the Effective Date.~~ Changes after the Effective Date to ~~these~~ Laws and Regulations, or to Owner-provided written policies and procedures may be the basis for modifications to Owner's responsibilities or to Engineer's scope of services, times of performance, or compensation.
- F. Engineer shall not be required to sign any documents, no matter by whom requested, that would result in the Engineer having to certify, guarantee, or warrant the existence of conditions whose existence the Engineer cannot ascertain. Owner agrees not to make resolution of any dispute with the Engineer or payment of any amount due to the Engineer in any way contingent upon the Engineer signing any such documents.

- G. The general conditions for any construction contract documents prepared hereunder are to be the "Standard General Conditions of the Construction Contract" as prepared by the Engineers Joint Contract Documents Committee (EJCDC C-700, 2007 Edition), and as amended by the Owner's supplementary conditions, unless the Owner notifies the Engineer that, subject to Agency approval, other general conditions shall be used ~~both parties mutually agree to use other general conditions by specific reference in Exhibit J.~~
- H. Engineer shall not at any time supervise, direct, control, or have authority over any ~~contractor~~ Contractor work, nor shall Engineer have authority over or be responsible for the means, methods, techniques, sequences, or procedures of construction selected or used by any ~~contractor~~ Contractor, or the safety precautions and programs incident thereto, for security or safety at the Site, nor for any failure of a ~~contractor~~ Contractor to comply with Laws and Regulations applicable to such ~~contractor's~~ Contractor's furnishing and performing of its work.
- I. Engineer neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish and perform the Work in accordance with the Contract Documents.
- J. Engineer shall not provide or have any responsibility for surety bonding or insurance-related advice, recommendations, counseling, or research, or enforcement of construction insurance or surety bonding requirements.
- K. Engineer shall not be responsible for the acts or omissions of any Contractor, Subcontractor, or Supplier, or of any of their agents or employees or of any other persons (except Engineer's own agents, employees, and Consultants) at the Site or otherwise furnishing or performing any Work; or for any decision made regarding the Contract Documents, or any application, interpretation, or clarification, of the Contract Documents, other than those made by Engineer's own agents, employees, and Consultants.
- L. While at the Site, Engineer's employees and representatives shall comply with the specific applicable requirements of Contractor's and Owner's safety programs of which Engineer has been informed in writing.
- M. The Engineer accepts the relationship of trust and confidence established with Owner by this Agreement, and covenants with the Owner to furnish the Engineer's reasonable skill and judgement in furthering the interests of the Owner. The Engineer shall use its best efforts to perform in an expeditious and economical manner consistent with the interests of the Owner.

6.02 Design Without Construction Management Phase Services

- A. Engineer shall be responsible only for those Construction Phase services expressly required of Engineer in Exhibit A, Paragraph A1.05. With the exception of such expressly required services, Engineer shall have no design, Shop Drawing review, or other obligations during construction and Owner assumes all responsibility for the application and interpretation of the Contract Documents, review and response to Contractor claims, contract administration, processing Change Orders, revisions to the Contract Documents during construction, construction surety bonding and insurance requirements, construction observation and review, review of payment applications, and all other necessary Construction Phase engineering and professional services. Owner waives all claims against the Engineer that may be connected in any way to

Construction Phase engineering or professional services except for those services that are expressly required of Engineer in Exhibit A, Paragraph A1.05.

6.03 *Use of Documents*

- A. All Documents, ~~information, and materials of any and every type prepared by the Engineer pursuant to this Agreement shall be property of the Owner. Such Documents shall include but not be limited to data, Drawings, Specifications, reports, Record Drawings, estimates, summaries, change orders, responses to Contractor requests, and such other information and materials as may have been accumulated by the Engineer in performing the work under this Agreement, whether completed or in process. The Engineer shall assume no responsibility for the unintended use by others of any such Documents, information, or materials outside the scope of this Project which are not related to the scope of services described under this Agreement. ~~are instruments of service in respect to this Project, and Engineer shall retain an ownership and property interest therein (including the copyright and the right of reuse at the discretion of the Engineer) whether or not the Project is completed. Owner shall not rely in any way on any Document unless it is in printed form, signed or sealed by the Engineer or one of its Consultants.~~~~
- B. Either party to this Agreement may rely that data or information ~~set forth on paper (also known as hard copies)~~ that the party receives from the other party by mail, hand delivery, ~~or~~ facsimile, or electronic media are the items that the other party intended to send. ~~Files in electronic media format of text, data, graphics, or other types that are furnished by one party to the other are furnished only for convenience, not reliance by the receiving party. Any conclusion or information obtained or derived from such electronic files will be at the user's sole risk. If there is a discrepancy between the electronic files and the hard copies, the hard copies govern. If the parties agree to other electronic transmittal procedures, such are set forth in Exhibit J. Consensus DOCS 200.2 Electronic Communications Protocol Addendum may be attached to Exhibit J and become a part of this Agreement.~~
- C. Because data stored in electronic media format can deteriorate or be modified inadvertently or otherwise without authorization of the data's creator, the party receiving electronic files agrees that it will perform acceptance tests or procedures within 60 days, after which the receiving party shall be deemed to have accepted the data thus transferred. Any transmittal errors detected within the 60-day acceptance period will be corrected by the party delivering the electronic files.
- D. When transferring documents in electronic media format, the transferring party makes no representations as to long-term compatibility, usability, or readability of such documents resulting from the use of software application packages, operating systems, or computer hardware differing from those used by the documents' creator.
- E. Owner may make and retain copies of Documents for information and reference in connection with use on the Project by Owner. ~~Engineer grants Owner a limited license to use the Documents on the Project, extensions of the Project, and for related uses of the Owner, subject to receipt by Engineer of full payment for all services relating to preparation of the Documents and subject to the following limitations: (1) Owner acknowledges that (1) such Documents are not intended or represented to be suitable for use on the Project unless completed by Engineer, or for use or reuse by Owner or others on extensions of the Project, on any other project, or for any other use or purpose, without written verification or adaptation by Engineer; (2) any such use or reuse, or any~~

modification of the Documents, without written verification, completion, or adaptation by Engineer, as appropriate for the specific purpose intended, will be at Owner's sole risk and without liability or legal exposure to Engineer or to its officers, directors, members, partners, agents, employees, and Consultants; (3) Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants from all claims, damages, losses, and expenses, including attorneys' fees, arising out of or resulting from any use, reuse, or modification of the Documents without written verification, completion, or adaptation by Engineer; ~~and (4) such limited license to Owner shall not create any rights in third parties.~~

F. For purposes of this Article 6.03, any of the following shall constitute Engineer's written acknowledgement that a Document has been completed by the Engineer.

1. Document bears the signature and the seal or stamp of a registered professional engineer employed by Engineer. The endorsement and signature by a registered engineer of any Documents, including plans, calculations, Specifications, Drawings, reports, and other data, shall be in accordance with applicable provisions of the laws of the State of California.

2. Documents for general contract administration that are prepared or signed by the Engineer or Resident Project Representative for the Construction Phase services set forth in Appendix A and Appendix D, including, but not limited to, recommendations, testing and inspection reports, daily reports, clarifications, interpretations, determinations, change orders, responses to Contractor requests, approvals of Contractor submittals, notices, transmittals, and certificates.

G. For Documents completed by Consultant(s) hired by Engineer, the Consultant and Engineer shall both provide written acknowledgement of completion of the Document as provided in 6.03.F. above.

H. If Engineer at Owner's request verifies the suitability of the Documents, completes them, or adapts them for extensions of the Project or for any other purpose, then Owner shall compensate Engineer at rates or in an amount to be agreed upon by Owner and Engineer.

I. Notwithstanding any provision to the contrary contained in this Agreement, Engineer shall retain sole ownership to its preexisting information including but not limited to computer programs, software, standard details, figures, templates and specifications. Provided, however, that any such preexisting information shall be provided to the Owner to the extent Owner needs to use such preexisting information to fully read, understand or use any Documents.

6.04 Insurance

A. Engineer shall procure and maintain insurance as set forth in Exhibit G, "Insurance." Engineer shall cause Owner to be listed as an additional insured on any applicable general liability insurance policy carried by Engineer.

B. Owner shall procure and maintain insurance as set forth in Exhibit G, "Insurance." Owner shall cause Engineer and its Consultants to be listed as additional insureds on any general liability policies and as loss payees on any property insurance policies carried by Owner which are applicable to the Project.

- C. Owner shall require Contractor to purchase and maintain policies of insurance covering workers' compensation, general liability, property damage (other than to the Work itself), motor vehicle damage and injuries, and other insurance necessary to protect Owner's and Engineer's interests in the Project. Owner shall require Contractor to cause Engineer and its Consultants to be listed as additional insureds with respect to such liability and other insurance purchased and maintained by Contractor for the Project.
- D. Owner and Engineer shall each deliver to the other certificates of insurance evidencing the coverages indicated in Exhibit G. Such certificates shall be furnished prior to commencement of Engineer's services and at renewals thereafter during the life of the Agreement.
- E. All policies of property insurance relating to the Project shall contain provisions to the effect that Engineer's and its Consultants' interests are covered and that in the event of payment of any loss or damage the insurers will have no rights of recovery against Engineer or its Consultants, or any insureds, additional insureds, or loss payees thereunder.
- F. All policies of insurance shall contain a provision or endorsement that the coverage afforded will not be canceled or reduced in limits by endorsement, and that renewal will not be refused, until at least 30 days prior written notice has been given to Owner and Engineer and to each other additional insured (if any) to which a certificate of insurance has been issued.
- G. At any time, Owner may request that Engineer or its Consultants, at Owner's sole expense, provide additional insurance coverage, increased limits, or revised deductibles that are more protective than those specified in Exhibit G. If so requested by Owner, and if commercially available, Engineer shall obtain and shall require its Consultants to obtain such additional insurance coverage, different limits, or revised deductibles for such periods of time as requested by Owner, and Exhibit G will be supplemented to incorporate these requirements.
- H. Any Consultant agreement in excess of \$25,000 entered into by Engineer relating to this Agreement shall incorporate all the provisions in this Agreement and shall require the Consultant to comply with the insurance requirements contained in this Article 6.04 and Exhibit G, except that employers liability, commercial general liability, and automotive liability insurance coverage limits shall be \$1,000,000 and excess or umbrella liability and professional liability insurance coverage limits shall be \$2,000,000.

6.05 *Suspension and Termination*

A. *Suspension:*

1. By Owner: Owner may suspend the Project upon seven days written notice to Engineer. If the Project is suspended by the Owner for more than 30 days and is then resumed, the Engineer's compensation may be equitably adjusted, as mutually agreed, using Exhibit K, Amendment to Owner Engineer Agreement, to provide for expenses incurred in the interruption and resumption of Engineer's services. Said suspension period shall end upon Engineer's receipt of Owner's written notice that the suspension is over. Owner may suspend the Project for up to 90 days upon seven days written notice to Engineer.
2. By Engineer: Engineer may, after giving ~~seven~~thirty days written notice to Owner, suspend services under this Agreement if ~~Engineer's performance has been substantially~~

~~delayed~~ through no fault of Engineer the Engineer's ability to provide any services whatsoever under the Agreement has been substantially impaired for more than 30 days. Said suspension period shall end once the factors substantially impairing the Engineer's ability to provide any services have been alleviated to a degree that allows Engineer to resume providing services under the Agreement.

B. *Termination:* The obligation to provide further services under this Agreement may be terminated:

1. For cause,

a. By either party upon 30 days written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof through no fault of the terminating party.

b. By Engineer:

1) upon ~~seven-30~~ days written notice if Owner demands that Engineer furnish or perform services contrary to Engineer's responsibilities as a licensed professional; or

2) upon ~~seven-30~~ days written notice if the Engineer's services for the Project are delayed or suspended for more than ~~90-120~~ days for reasons beyond Engineer's control.

~~3) Engineer shall have no liability to Owner on account of such termination.~~

c. Notwithstanding the foregoing, this Agreement will not terminate under Paragraph 6.05.B.1.a or B.1.b (or 6.09.E., infra.) if the party receiving such notice begins, within seven days of receipt of such notice, to correct its substantial failure to perform and proceeds diligently to cure such failure within no more than 30 days of receipt thereof; provided, however, that if and to the extent such substantial failure cannot be reasonably cured within such 30 day period, and if such party has diligently attempted to cure the same and thereafter continues diligently to cure the same, then the cure period provided for herein shall extend up to, but in no case more than, 60 days after the date of receipt of the notice.

2. For convenience,

a. By Owner effective upon Engineer's receipt of notice from Owner.

C. *Effective Date of Termination:* The terminating party under Paragraph 6.05.B may set the effective date of termination at a time up to 30 days later than otherwise provided to allow Engineer to demobilize personnel and equipment from the Site, to complete tasks whose value would otherwise be lost, to prepare notes as to the status of completed and uncompleted tasks, and to assemble Project materials in orderly files.

D. *Payments Upon Termination:*

1. In the event of any termination under ~~Paragraph~~ Article 6.05, Engineer will be entitled to invoice Owner and to receive full payment for all services performed or furnished in accordance with this Agreement and all Reimbursable Expenses incurred through the effective date of termination. Upon making such payment, Owner shall have the limited right to the use of Documents, at Owner's sole risk, subject to the provisions of Paragraph 6.03.E.
2. In the event of termination by Owner for convenience or by Engineer for cause, Engineer shall be entitled, in addition to invoicing for those items identified in Paragraph 6.05.D.1, to invoice Owner and to payment of a reasonable amount for services and expenses directly attributable to termination, both before and after the effective date of termination, such as reassignment of personnel, costs of terminating contracts with Engineer's Consultants, and other related close-out costs, using methods and rates for Additional Services as set forth in Exhibit C.

6.06 *Controlling Law*

- A. This Agreement is to be governed by the law of the state or jurisdiction in which the Project is located.

6.07 *Successors, Assigns, and Beneficiaries*

- A. Owner and Engineer are hereby bound and the successors, executors, administrators, and legal representatives of Owner and Engineer (and to the extent permitted by Paragraph 6.07.B the assigns of Owner and Engineer) are hereby bound to the other party to this Agreement and to the successors, executors, administrators and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.
- B. Neither Owner nor Engineer may assign, sublet, or transfer any rights under or interest (including, but without limitation, moneys that are due or may become due) in this Agreement without the written consent of the other, except to the extent that any assignment, subletting, or transfer is mandated or restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.
- C. Unless expressly provided otherwise in this Agreement:
 1. Nothing in this Agreement shall be construed to create, impose, or give rise to any duty owed by Owner or Engineer to any Contractor, Subcontractor, Supplier, other individual or entity, or to any surety for or employee of any of them.
 2. All duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of Owner and Engineer and not for the benefit of any other party.
 3. Owner agrees that the substance of the provisions of this Paragraph 6.07.C shall appear in the Contract Documents.

6.08 *Dispute Resolution*

- A. Owner and Engineer agree to negotiate all disputes between them in good faith for a period of 30 days from the date of notice prior to invoking the procedures of Exhibit H or other provisions of this Agreement, or exercising their rights under law.
- B. If the parties fail to resolve a dispute through negotiation under Paragraph 6.08.A, then either or both may invoke the procedures of Exhibit H. If Exhibit H is not included, or if no dispute resolution method is specified in Exhibit H, then the parties may exercise their rights under law.

6.09 *Environmental Condition of Site*

- A. Owner has disclosed to Engineer in writing the existence of all ~~known and suspected~~ Asbestos, PCBs, Petroleum, Hazardous Waste, Radioactive Material, hazardous substances, and other Constituents of Concern known and suspected by Owner located at or near the Site, including type, quantity, and location.
- B. Owner represents to Engineer that to the best of its knowledge no Constituents of Concern, other than those disclosed in writing to Engineer, exist at the Site.
- C. If Engineer encounters or learns of an undisclosed Constituent of Concern at the Site, then Engineer shall notify (1) Owner and (2) appropriate governmental officials if Engineer reasonably concludes that doing so is required by applicable Laws or Regulations.
- D. It is acknowledged by both parties that Engineer's scope of services does not include any services related to Constituents of Concern. If Engineer or any other party encounters an undisclosed Constituent of Concern, or if investigative or remedial action, or other professional services, are necessary with respect to disclosed or undisclosed Constituents of Concern, then Engineer may, at its option and without liability for consequential or any other damages, suspend performance of services on the portion of the Project affected thereby until Owner: (1) retains appropriate specialist consultants or contractors to identify and, as appropriate, abate, remediate, or remove the Constituents of Concern; and (2) warrants that the Site is in full compliance with applicable Laws and Regulations.
- E. If the presence at the Site of undisclosed Constituents of Concern adversely affects the performance of Engineer's services under this Agreement, then the Engineer shall be entitled to ~~have the option of (1) accepting~~ an equitable adjustment in its compensation or in the time of completion, or both; ~~or (2) terminating this Agreement for cause on 30 days notice.~~
- F. Owner acknowledges that Engineer is performing professional services for Owner and that Engineer is not and shall not be required to become an "owner" "arranger," "operator," "generator," or "transporter" of hazardous substances, as defined in the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, which are or may be encountered at or near the Site in connection with Engineer's activities under this Agreement.

6.10 Indemnification and Mutual Waiver

- A. *Indemnification by Engineer:* To the fullest extent permitted by California Civil Code Section 2782.8 and an other applicable law, Engineer shall indemnify, defend and hold harmless Owner, and Owner's officers, directors, members, partners, agents, consultants, and employees from reasonable any and all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) that arise out of, pertain to, or relate to, the negligent, reckless or willful misconduct of the Engineer or Engineer's officers, directors, members, partners, agents, employees, or Consultants. arising out of or relating to the Project, provided that any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, but only to the extent caused by any negligent act or omission of Engineer or Engineer's officers, directors, members, partners, agents, employees, or Consultants. This indemnification provision is subject to and limited by the provisions, if any, agreed to by Owner and Engineer in Exhibit I, "Limitations of Liability."
- ~~B. *Indemnification by Owner:* Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants as required by Laws and Regulations and to the extent (if any) required in Exhibit I, Limitations of Liability.~~
- ~~B. Any Consultant agreement in excess of \$25,000 entered into by Engineer relating to this Agreement shall incorporate all the provisions in this Agreement and shall require the Consultant to comply with the indemnification requirements contained in this Article 6.10.~~
- C. *Environmental Indemnification:* To the fullest extent permitted by law, Owner shall indemnify and hold harmless Engineer and its officers, directors, members, partners, agents, employees, and Consultants from and against any and all claims, costs, losses, and damages (including but not limited to all fees and charges of engineers, architects, attorneys and other professionals, and all court, arbitration, or other dispute resolution costs) caused by, arising out of, relating to, or resulting from a Constituent of Concern at, on, or under the Site, provided that (1) any such claim, cost, loss, or damage is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the Work itself), including the loss of use resulting therefrom, and (2) nothing in this paragraph shall obligate Owner to indemnify any individual or entity from and against the consequences of that individual's or entity's own negligence or willful misconduct.
- D. *Percentage Share of Negligence:* To the fullest extent permitted by law, a party's total liability to the other party and anyone claiming by, through, or under the other party for any cost, loss, or damages caused in part by the negligence of the party and in part by the negligence of the other party or any other negligent entity or individual, shall not exceed the percentage share that the party's negligence bears to the total negligence of Owner, Engineer, and all other negligent entities and individuals.
- ~~E. *Mutual Waiver:* To the fullest extent permitted by law, Owner and Engineer waive against each other, and the other's employees, officers, directors, members, agents, insurers, partners, and consultants, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.~~

6.11 *Miscellaneous Provisions*

- A. *Notices:* Any notice required under this Agreement will be in writing, addressed to the appropriate party at its address on the signature page and given personally, by facsimile, by registered or certified mail postage prepaid, or by a commercial courier service. All notices shall be effective upon the date of receipt.
- B. *Survival:* All express representations, waivers, indemnifications, and limitations of liability included in this Agreement will survive its completion or termination for any reason.
- C. *Severability:* Any provision or part of the Agreement held to be void or unenforceable under any Laws or Regulations shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Engineer, which agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.
- D. *Waiver:* A party's non-enforcement of any provision shall not constitute a waiver of that provision, nor shall it affect the enforceability of that provision or of the remainder of this Agreement. One or more waivers by either party of any provision, term, condition, or covenant shall not be construed as a waiver of a subsequent breach of the same by the other party.
- E. *Accrual of Claims:* To the fullest extent permitted by law, all causes of action arising under this Agreement shall be deemed to have accrued, and all statutory periods of limitation shall commence, no later than the date of Substantial Completion.
- F. *Hierarchy of Provisions:* To the extent there is any inconsistency between any language in the body of this Agreement and the Exhibits attached hereto, the language in the body of this Agreement shall take precedence over any inconsistent language in any such Exhibit.

ARTICLE 7 – DEFINITIONS

7.01 *Defined Terms*

- A. Wherever used in this Agreement (including the Exhibits hereto) terms (including the singular and plural forms) printed with initial capital letters have the meanings indicated in the text above, in the exhibits, or in the following provisions:
 - 1. *Additional Services* – The services to be performed for or furnished to Owner by Engineer in accordance with Part 2 of Exhibit A of this Agreement.
 - 2. *Agency* - The Rural Utilities Service or any designated representative of Rural Utilities Service, including USDA, Rural Development.
 - 3. *Agreement* – This written contract for professional services between Owner and Engineer, including all exhibits identified in ~~Paragraph~~ Article 8.01 and any duly executed amendments.

4. *Asbestos* – Any material that contains more than one percent asbestos and is friable or is releasing asbestos fibers into the air above current action levels established by the United States Occupational Safety and Health Administration.
5. *Basic Services* – The services to be performed for or furnished to Owner by Engineer in accordance with Part 1 of Exhibit A of this Agreement.
6. *Construction Contract* – The entire and integrated written agreement between Owner and Contractor concerning the Work.
7. *Construction Cost* – The cost to Owner of those portions of the entire Project designed or specified by Engineer. Construction Cost does not include costs of services of Engineer or other design professionals and consultants; cost of land or rights-of-way, or compensation for damages to properties; Owner's costs for legal, accounting, insurance counseling or auditing services; interest or financing charges incurred in connection with the Project; or the cost of other services to be provided by others to Owner pursuant to Exhibit B of this Agreement. Construction Cost is one of the items comprising Total Project Costs.
8. *Constituent of Concern* – Any substance, product, waste, or other material of any nature whatsoever (including, but not limited to, Asbestos, Petroleum, Radioactive Material, and PCBs) which is or becomes listed, regulated, or addressed pursuant to (a) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§9601 et seq. ("CERCLA"); (b) the Hazardous Materials Transportation Act, 49 U.S.C. §§1801 et seq.; (c) the Resource Conservation and Recovery Act, 42 U.S.C. §§6901 et seq. ("RCRA"); (d) the Toxic Substances Control Act, 15 U.S.C. §§2601 et seq.; (e) the Clean Water Act, 33 U.S.C. §§1251 et seq.; (f) the Clean Air Act, 42 U.S.C. §§7401 et seq.; and (g) any other federal, state, or local statute, law, rule, regulation, ordinance, resolution, code, order, or decree regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic, or dangerous waste, substance, or material.
9. *Consultants* – Individuals or entities having a contract with Engineer to furnish services with respect to this Project as Engineer's independent professional associates and consultants; subcontractors; or vendors.
10. *Contract Documents* – Those items so designated in the Construction Contract, including the Drawings, Specifications, construction agreement, and general and supplementary conditions. Only printed or hard copies of the items listed in the Construction Contract are Contract Documents. Approved Shop Drawings, other Contractor submittals, and the reports and drawings of subsurface and physical conditions are not Contract Documents.
11. *Contractor* – The entity or individual with which Owner has entered into a Construction Contract.
12. *Documents* – Data, reports, Drawings, Specifications, Record Drawings, estimates, summaries, and other deliverables, whether in printed or electronic media format, provided or furnished in appropriate phases by Engineer to Owner pursuant to this Agreement.

13. *Drawings* – That part of the Contract Documents prepared or approved by Engineer which graphically shows the scope, extent, and character of the Work to be performed by Contractor. Shop Drawings are not Drawings as so defined.
14. *Effective Date* – The date indicated in this Agreement on which it becomes effective, but if no such date is indicated, the date on which this Agreement is signed and delivered by the last of the parties to sign and deliver.
15. *Engineer* – The individual or entity named as such in this Agreement.
16. *Hazardous Waste* – The term Hazardous Waste shall have the meaning provided in Section 1004 of the Solid Waste Disposal Act (42 USC Section 6903) as amended from time to time.
17. *Laws and Regulations; Laws or Regulations* – Any and all applicable laws, rules, regulations, ordinances, codes, and orders of any and all governmental bodies, agencies, authorities, and courts having jurisdiction.
18. *Owner* – The individual or entity with which Engineer has entered into this Agreement and for which the Engineer's services are to be performed. Unless indicated otherwise, this is the same individual or entity that will enter into any Construction Contracts concerning the Project.
19. *PCBs* – Polychlorinated biphenyls.
20. *Petroleum* – Petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute), such as oil, petroleum, fuel oil, oil sludge, oil refuse, gasoline, kerosene, and oil mixed with other non-hazardous waste and crude oils.
21. *Project* – The total construction of which the Work to be performed under the Contract Documents may be the whole, or a part.
22. *Radioactive Material* – Source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954 (42 USC Section 2011 et seq.) as amended from time to time.
23. *Record Drawings* – Drawings depicting the completed Project, prepared by Engineer as an Additional Service and based solely on Contractor's record copy of all Drawings, Specifications, addenda, change orders, work change directives, field orders, and written interpretations and clarifications, as delivered to Engineer and annotated by Contractor to show changes made during construction.
24. *Reimbursable Expenses* – The expenses incurred directly by Engineer in connection with the performing or furnishing of Basic and Additional Services for the Project.
25. *Resident Project Representative* – The authorized representative of Engineer assigned to assist Engineer at the Site during the Construction Phase. As used herein, the term Resident Project Representative or "RPR" includes any Resident Inspector, assistants or field staff of Resident Project Representative agreed to by Owner. The duties and

responsibilities of the Resident Project Representative, if any, are as set forth in Exhibit D.

26. *Samples* – Physical examples of materials, equipment, or workmanship that are representative of some portion of the Work and which establish the standards by which such portion of the Work will be judged.
27. *Shop Drawings* – All drawings, diagrams, illustrations, schedules, and other data or information which are specifically prepared or assembled by or for Contractor and submitted by Contractor to illustrate some portion of the Work.
28. *Site* – Lands or areas to be indicated in the Contract Documents as being furnished by Owner upon which the Work is to be performed, including rights-of-way and easements for access thereto, and such other lands furnished by Owner which are designated for the use of Contractor.
29. *Specifications* – That part of the Contract Documents consisting of written technical descriptions of materials, equipment, systems, standards, and workmanship as applied to the Work and certain administrative details applicable thereto.
30. *Subcontractor* – An individual or entity having a direct contract with Contractor or with any other Subcontractor for the performance of a part of the Work at the Site.
31. *Substantial Completion* – The time at which the Work (or a specified part thereof) has progressed to the point where, in the opinion of Engineer, the Work (or a specified part thereof) is sufficiently complete, in accordance with the Contract Documents, so that the Work (or a specified part thereof) can be utilized for the purposes for which it is intended. The terms “substantially complete” and “substantially completed” as applied to all or part of the Work refer to Substantial Completion thereof.
32. *Supplier* – A manufacturer, fabricator, supplier, distributor, material man, or vendor having a direct contract with Contractor or with any Subcontractor to furnish materials or equipment to be incorporated in the Work by Contractor or Subcontractor.
33. *Total Project Costs* – The sum of the Construction Cost, allowances for contingencies, and the total costs of services of Engineer or other design professionals and consultants, together with such other Project-related costs that Owner furnishes for inclusion, including but not limited to cost of land, rights-of-way, compensation for damages to properties, Owner’s costs for legal, accounting, insurance counseling and auditing services, interest and financing charges incurred in connection with the Project, and the cost of other services to be provided by others to Owner pursuant to Exhibit B of this Agreement.
34. *Work* – The entire construction or the various separately identifiable parts thereof required to be provided under the Contract Documents. Work includes and is the result of performing or providing all labor, services, and documentation necessary to produce such construction, and furnishing, installing, and incorporating all materials and equipment into such construction, all as required by the Contract Documents.

ARTICLE 8 – EXHIBITS AND SPECIAL PROVISIONS

8.01 *Exhibits Included:*

- A. Exhibit A, Engineer's Services.
- B. Exhibit B, Owner's Responsibilities.
- C. Exhibit C, Payments to Engineer for Services and Reimbursable Expenses.
- D. Exhibit D, Duties, Responsibilities and Limitations of Authority of Resident Project Representative, is intentionally omitted and not included as part of this Agreement.
- E. Exhibit E, Notice of Acceptability of Work, is intentionally omitted and not included as part of this Agreement.
- F. Exhibit F, Construction Cost Limit, is intentionally omitted and not included as part of this Agreement.
- G. Exhibit G, Insurance.
- H. Exhibit H, Dispute Resolution.
- I. Exhibit I, Limitations of Liability, is intentionally omitted and not included as part of this Agreement.
- J. Exhibit J, Special Provisions, is intentionally omitted and not included as part of this Agreement.
- K. Exhibit K, Amendment to Owner-Engineer Agreement.
- L. Exhibit L, Notice of Completion of Project Document
- M. Exhibit M, Draft Basis of Design Report.

8.02 *Total Agreement:*

- A. This Agreement, (together with the exhibits identified above) constitutes the entire agreement between Owner and Engineer and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument based on the format of Exhibit K to this Agreement.

8.03 *Designated Representatives:*

- A. With the execution of this Agreement, Engineer and Owner shall designate specific individuals to act as Engineer's and Owner's representatives with respect to the services to be performed or furnished by Engineer and responsibilities of Owner under this Agreement. Such an individual shall have authority to transmit instructions, receive information, and render decisions relative to the Project on behalf of the respective party whom the individual represents.

8.04 *Engineer's Certifications:*

- A. Engineer certifies that it has not engaged in corrupt, fraudulent, or coercive practices in competing for or in executing the Agreement. For the purposes of this ~~Paragraph~~ Article 8.04:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the selection process or in the Agreement execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the selection process or the execution of the Agreement to the detriment of Owner, or (b) to deprive Owner of the benefits of free and open competition;
 3. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or affect the execution of the Agreement.

8.05 *Federal Requirements:*

- A. *Agency Concurrence.* Signature of a duly authorized representative of Agency in the space provided on the signature page of EJCDC form E-500 hereof does not constitute a commitment to provide financial assistance or payments hereunder but does signify that this Agreement conforms to Agency's applicable requirements. This Agreement shall not be effective unless the Funding Agency's designated representative concurs. No amendment to this Agreement shall be effective unless the Funding Agency's designated representative concurs.
- B. *Audit and Access to Records.* Owner, Agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Engineer which are pertinent to the Agreement, for the purpose of making audits, examinations, excerpts, and transcriptions. Engineer shall maintain all required records for three years after final payment is made and all other pending matters are closed.
- C. *Restrictions on Lobbying.* Engineer and each Consultant shall comply with Restrictions on Lobbying if they are recipients of engineering services contracts and subcontracts that exceed \$100,000 at any tier under a Federal loan that exceeds \$150,000 or a Federal grant that exceeds \$100,000. If applicable, Engineer must complete a certification form on lobbying activities related to a specific Federal loan or grant that is a funding source for this Agreement. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other applicable award. Each tier shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Certifications and disclosures are forwarded from tier to tier up to the Owner. Necessary certification and disclosure forms shall be provided by Owner.
- D. *Suspension and Debarment.* Engineer certifies, by signing this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible

or voluntarily excluded from participation in this transaction by any Federal department or agency. Engineer will not contract with any Consultant for this Project if it or its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. Necessary certification forms shall be provided by the Owner. The Engineer will complete and submit a form AD-1048, "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - lower tier transactions" to the Owner who will forward it the USDA, Rural Development processing office.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, the Effective Date of which is indicated on page 1.

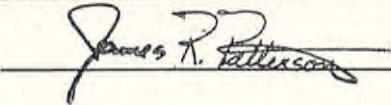
Owner:

COUNTY OF SAN LUIS OBISPO

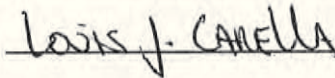
Engineer:

CAROLLO ENGINEERS

By:



By:



Title: Chairperson of the Board
County of San Luis Obispo
State of California

Title: EXECUTIVE VP

Date

Signed: November 6, 2012

Date

Signed: 10/23/12

ATTEST:

By:

JULIE L. RODEWALD

Engineer License or Firm's
Certificate No.

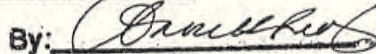
State of:

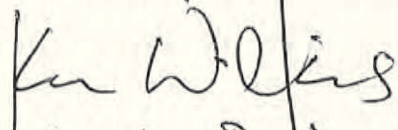
California CE 037451

Title: County Clerk and Ex-Officio Clerk of the
Board of Supervisors, County of San
Luis Obispo, State of California

Date

Signed:

By: 
Deputy Clerk


Sr. Vice President 10/23/12

APPROVED AS TO FORM AND LEGAL
EFFECT:

RITA NEAL

County Counsel

By:



Title: Deputy County Counsel

Date

Signed: 10/24/12

AGENCY CONCURRENCE:

As lender or insurer of funds to defray the costs of this Contract, and without liability for any payments thereunder, the Agency hereby concurs in the form, content, and execution of this Agreement.

By: Michael Starinsky
Type: MICHAEL STARINSKY, P.E.
Name: State Engineer
Date: USDA Rural Development
Signed: 11-19-12

Address for giving notices:

San Luis Obispo Co. Dept. of Public Works
County Government Center, Rm 201
San Luis Obispo, CA 93408

Address for giving notices:

Carollo Engineers
1218 3rd Ave, Suite 1600
Seattle, WA 98101

Designated Representative (Paragraph 8.03.A):

John Waddell, P.E.
Title: Project Manager.
Phone Number: 805-781-5252
Facsimile Number: 805-781-1229
E-Mail Address: jwaddell@co.slo.ca.us

Designated Representative (Paragraph 8.03.A):

Karl Hadler, P.E., PMP
Title: Project Manager
Phone Number: 206-684-6532
Facsimile Number: 206-903-0419
E-Mail Address: KHadler@carollo.com

This is **EXHIBIT A**, consisting of 14 pages, referred to in and part of the Agreement ~~between Owner and Engineer~~ for Professional Engineering Services dated November 6, 2012.

Engineer's Services

Article 1 of the Agreement is supplemented to include the following agreement of the parties.

The Agreement requires Engineer to provide Owner with comprehensive design engineering services for a complete detailed design of the Los Osos Water Recycling Facility (the "Project"), including, but not limited to, the preparation of complete final design Drawings, and Specifications for the construction of the Project that will be incorporated into the Owner's bid documents and Construction Contract.

The Project consists of the construction of a wastewater treatment plant with a capacity of 1.2 million gallons per day that satisfies all California Title 22 standards for tertiary recycled water. The Project will be designed in accordance with details in the Basis of Design Report provided as an Exhibit to this Agreement. The Engineer's comprehensive design shall include, but is not necessarily limited to the following features:

- a. Headworks and bar screens with odor control process.
- b. Oxidation ditch secondary treatment process designed to meet a total nitrogen limit of 7 mg/L.
- c. Tertiary filter process with ultraviolet disinfection designed to meet California Title 22 standards for tertiary recycled water.
- d. Mechanical sludge dewatering enclosed in a building with odor control process.
- e. Recycled water pump station located at the water recycling facility.
- f. Approximately 50 acre-feet of recycled water storage at the water recycling facility site.
- g. Related site work, grading, road improvements, and utility services.

Engineer shall provide Basic and Additional Services as set forth below.

The Engineer acknowledges that the Basic Services set forth under Paragraphs A1.04 ("Construction Phase") and A1.05 ("Post-Construction Phase") of Exhibit A are not yet authorized by the Owner, and such authorization can only come from a subsequent authorization by the Owner's Board of Supervisors (Board). If the Owner's Board does not authorize the Engineer to proceed with the Construction Phase and Post-Construction Phase services, the Engineer shall not be entitled to any compensation for any services related to these Phases.

PART 1 – BASIC SERVICES

Study and Report Phase ~~DELETED~~

A1.01 General Provisions

- A. Engineer's Assigned Personnel: All work performed under this Agreement shall be performed by the Engineer's personnel identified in the Organizational Chart, attached as Appendix 1 to this

Exhibit A. Any changes to the key personnel designated on the Organization Chart must be approved in writing by the Owner.

B. The Engineer has prepared a Final Design Project schedule, with milestone dates for deliverables, for each task and Paragraph A1.02. The schedule is attached as Appendix 2 to this Exhibit A. Engineer shall maintain the schedule throughout the Final Design Phase and update as necessary to reflect changes in scope or schedules.

Preliminary Design Phase DELETED

A1.02 Final Design Phase

A. Upon written authorization from Owner, Engineer shall:

1. Prepare Final Drawings and Specifications (Division 1 through 17) in accordance with the criteria and details in the Basis of Design Report indicating the scope, extent, and character of the Work to be performed and furnished by Contractor. The Final Design phase includes submittal of 60% and 90% design packages, consisting of draft Drawings and Specifications and submittal of Final Drawings and Specifications for the Owner's use in the bidding documents.
2. Perform geotechnical analysis for the areas where work was not previously performed along Los Osos Valley Road and update existing geotechnical information for the Giacomazzi property. Fugro West, Inc. ("Fugro") has done prior geotechnical analysis in the area, the parties mutually agree that Fugro will be used as the Engineer's geotechnical consultant under this Agreement. The services that the Engineer will hire Fugro to provide to Engineer shall, at a minimum, include the following:
 - a. Fugro will consult with Engineer and the County to review our approach to providing geotechnical services. Fugro will compile and review existing subsurface data that they have collected for previous projects at the plant site and to supplement the field exploration data for this project. An updated field exploration program will be submitted to Engineer for review prior to initiating the field exploration program.
 - b. Fugro will prepare a health and safety plan for the work, visit the site to coordinate access for field explorations, and obtain well permits for selected borings that we anticipate may extend below a depth of approximately 25 feet (13 of the planned explorations). Fugro will mark the locations of the explorations and contact Underground Services Alert (USA) to review the locations relative to underground utilities.
 - c. Fugro will provide 8 days of field exploration to explore the site using a truckmounted drill rig equipped with hollow-stem-augers. The locations of the borings and target depths are estimated using the Engineer (2012) plans to provide at least 1 or 2 borings within each of the major structures proposed for the project, and to generally extend at least 10 to 20 feet below the bottom of anticipated excavations and structures. Selected borings were targeted for greater depths for larger structures that may influence the ground to a great depth (such as for the oxidation ditches).

A backhoe will be used to grade access to the drill hole locations if needed. It is assumed that the site will be dry and accessible for truck-mounted field equipment. The borings will be sampled at approximately 5-foot intervals using standard penetration test (SPT) and modified California split spoon samplers. Bulk samples of selected materials will be obtained from the cuttings retrieved from the auger flights. The borings will be backfilled with soil cuttings or grouted and slurried per well permit requirements. Any excess cuttings will be spread out onsite adjacent to the hole. The samples will be used to classify the soil encountered and will be retained for subsequent laboratory testing.

This scope of work specifically excludes the search for and evaluation of hazardous materials in soil, water, or air. In the event that hazardous materials are encountered during field exploration, Fugro will be required to report the contamination and to follow protocols required by various agencies. The cost for work performed in association with the discovery of hazardous material will be provided on a time and materials basis, and is not included in this proposal.

- d. Laboratory tests will be performed on selected samples obtained from the exploration. Fugro will perform tests for soil classification, shear strength, consolidation, expansion, permeability, corrosion and R-value. The types and numbers of tests will be selected based on the results of the field exploration.
 - e. Following completion of the field exploration program, Fugro will prepare a technical memorandum with a brief discussion of the subsurface conditions and a summary of geotechnical considerations. The memorandum will summarize the likely foundation types and anticipated grading for the site, groundwater or soil conditions that could impact the deep excavations for the storage ponds, and any special geotechnical conditions that could potentially impact the design, cost or schedule for the project.
 - f. Fugro will prepare a Geotechnical Report for the design of the project. A draft of the report will be submitted in pdf format via email for review by the design team. Fugro may recommend additional field exploration or analyses depending on the results of the exploration program. A plan showing the locations of the explorations, data obtained from the field and laboratory testing programs, graphics showing the locations of the explorations, interpreted subsurface profile(s), a discussion of the subsurface conditions, and recommendations for the design will be included in the report.
 - g. Upon completion of the above task, Fugro will incorporate comments received from the review and prepare the final Geotechnical Report.
 - h. Fugro will consult with Engineer following submittal of the report and review the project plans and specifications for conformance with the geotechnical recommendations of the report. Comments will be summarized in a memorandum or email format and transmitted to the responsible designer(s).
3. Provide technical criteria, written descriptions, and design data for Owner's use in ~~filling applications for verifying compliance with~~ permits from or in obtaining approvals of

governmental authorities having jurisdiction to review or approve the final design of the Project; assist Owner in consultations with such authorities; and revise the Drawings and Specifications in response to directives from such authorities one time. For this scope it is assumed that these agencies include:

- a. CA Coastal Commission
- b. San Luis Obispo Air Pollution Control District
- c. Cal Fire
- d. US Department of Agriculture
- e. State Water Resources Control Board
- f. US Fish and Wildlife
- g. CA Department of Public Health
- h. State –Regional Water Quality Control Board

Engineer has estimated a total of 80 hours for work under the paragraph A1.02.A.2, based on the assumption that Engineer's Documents are adequate for agency review and no special permit applications will be prepared by the Engineer.

- 4. The 60% design package will be delivered within 75 calendar days of the authorization to proceed with the Final Design Phase. The 60 percent submittal will advance the Project design from preliminary design to approximately a 60 percent level of completion, including the incorporation of County comments documented in the record of comment (ROC). Some Drawings will be more complete than others, but overall the level of completion for this submission will be approximately 60 percent. The 60% design package will generally include the following:
 - a. Title Sheet, Drawing Index, and Location and Vicinity Map essentially complete.
 - b. General Symbols, Legends, and Abbreviations essentially complete.
 - c. Design Data and Criteria essentially complete.
 - d. Site Plan with proposed major site elements including proposed contractor staging, storage, access, and off-site corridors (traffic routing plans) in draft.
 - e. Architectural plans, sections, and elevations that depict the proposed final exterior architectural theme, materials of construction, and floor plan of structures in draft.
 - f. Structural plans, sections, and details coordinated with other design disciplines. Large structural penetrations identified and potential conflicts with mechanical and electrical features resolved. Plans and sections to include structural member sizes. Reinforcement detailing partially complete.

- g. Mechanical plans, sections, and details with proposed final location of major equipment, piping, and appurtenances. Minor piping partially complete; however adequate corridors identified. Location of equipment maintenance features finalized.
 - h. Plumbing plans and sections adequately complete to verify County standards and building code compliance. Fire protection system performance specifications in draft.
 - i. Proposed final electrical one-line diagrams and major equipment panel layouts.
 - j. Power plans, control diagrams, and schedules adequately complete to review layout and design intent.
 - k. Proposed draft lighting plan.
 - l. P&IDs developed to greater detail including revisions based on proposed equipment and configuration.
 - m. Draft Specifications of Divisions 1 through 17 coordinated such that project specific information has been included and non-pertinent information has been removed.
 - n. First draft of construction sequence, milestones, and constraints.
 - o. Equipment list that includes equipment number, equipment size, equipment power requirements and basic controls and operating strategies for all major equipment anticipated on the project.
5. The 90% design package will be delivered within 80 calendar days of the 60% design briefing meeting. The 90% design package will generally include the following:
- a. The 90 percent submittal will include all of the elements of the 60% design package at a 90 percent level of completion, and will incorporate County comments to the 60 Percent Design Submittal documented in the ROC. The engineering design will be complete, and the plans will show all sections and details. The 90 percent submittal will be made when the Drawings and Specifications –have been checked by Engineer’s independent multidisciplinary review team, and the check comments have been incorporated. The only major changes to the documents following the 90 percent submittal will be to address County comments.
6. Prepare updates ~~Advise Owner of any adjustments~~ to the opinion of probable Construction Cost known to Engineer at the 60%, 90% and Final Design level.
7. Prepare updates to the preliminary construction schedule at the 60%, 90% and Final Design level.
8. Five (5) focus meetings with Owner’s staff will be conducted to address specific technical issues that arise during the course of design. The Decision Log and Action Item List will be updated following each meeting and provided to the Owner for review and comment.

9. A design briefing meeting will be conducted to highlight specific design features and issues following submission of the 60% and 90% design packages. This briefing will facilitate initial feedback on the submittal from Owner's staff. A presentation summarizing the design and key review issues will be prepared for the briefing. A draft of the meeting minutes will be submitted to the Owner within five (5) working days after the meeting. The final version will be submitted within five (5) working days after comments on the draft have been received from the Owner.
 10. The Engineer shall identify the building codes and accessibility standards used in the design, and ensure that the final plans and Specifications comply with those standards of this subpart.
 11. The Engineer shall assist the Owner in advertising for and obtaining bids or cost proposals for equipment and materials that will be pre-selected and specified for use by the Contractor in the bidding documents or will be provided as Owner-furnished materials and equipment.
 12. Within 30 calendar days of approval of the 90% design package, prepare and furnish the Final Design bidding documents for review by Owner, its legal counsel, ~~its and~~ other advisors, and ~~assist Owner in the preparation of other related documents: regulatory agencies, and Agency.~~ Bidding documents will comply with the Agency's requirements in effect as of the date of Owner authorizing work in this phase. Within 15 days of receipt, Owner shall submit to Engineer any final comments. ~~and, subject to the provisions of Paragraph 6.01.G, instructions for revisions.~~
 13. Revise the bidding documents in accordance with comments and instructions from the Owner, as appropriate, and submit five final copies of the Final Design bidding documents, a revised opinion of probable Construction Cost, and any other deliverables to Owner within 20 calendar days after receipt of Owner's comments and instructions.
- B. Engineer's services under the Final Design Phase will be considered complete on the date when the submittals required by this Paragraph A1.~~03-A-602~~ have been delivered to Owner.
- C. In the event that the Work designed or specified by Engineer is to be performed or furnished under more than one prime contract, or if Engineer's services are to be separately sequenced with the work of one or more prime Contractors (such as in the case of fast-tracking), Owner and Engineer shall, prior to commencement of the Final Design Phase, develop a schedule for performance of Engineer's services during the Final Design, Bidding or Negotiating, Construction, and Post-Construction Phases in order to sequence and coordinate properly such services as are applicable to the work under such separate prime contracts. This schedule is to be prepared and included in or become an amendment to Exhibit A whether or not the work under such contracts is to proceed concurrently.
- D. The number of prime contracts for Work designed or specified by Engineer upon which the Engineer's compensation has been established under this Agreement is one (1). If more prime contracts are awarded, Engineer shall be entitled to an equitable increase in its compensation under this Agreement.

A1.03 Bidding ~~or Negotiating~~ Phase

- A. After acceptance by Owner of the Final Design bidding documents and the most recent opinion of probable Construction Cost as determined in the Final Design Phase, and upon written authorization by Owner to proceed, Engineer shall:
1. Assist Owner in advertising for and obtaining bids or proposals for the Work and attend pre-bid conferences. (One pre-bid conference is assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.), ~~where applicable, maintain a record of prospective bidders to whom Bidding Documents have been issued, attend pre-bid conferences, if any, and receive and process contractor deposits or charges for the bidding documents.~~
 2. Prepare addenda as appropriate to clarify, correct, or change the bidding documents. (Up to three addenda are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.)
 3. Provide information or assistance needed by Owner in the course of any negotiations with prospective contractors. (One contractor meeting is assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.)
 4. Consult with Owner as to the acceptability of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors for those portions of the Work as to which such acceptability is required by the bidding documents.
 5. If bidding documents require, the Engineer shall evaluate and determine the acceptability of "or equals" and substitute materials and equipment proposed by bidders, ~~but subject to the provisions of paragraph A2.02.A.2 of this Exhibit A.~~
 6. Prepare a Conformed Bid Documents for use by Owner, Construction Manager, Contractor and Engineer during construction. Conformed Bid Documents would incorporate all Addenda that were published during the Bidding Phase into a set of construction plans showing all current Drawings and Specifications.
 7. Attend the Bid opening, prepare Bid tabulation sheets, and ~~a~~Assist Owner in evaluating Bids or proposals and in assembling ~~and awarding~~ contracts for awarding the Work. (One bid opening is assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.)
- B. The Bidding ~~or Negotiating~~ Phase will be considered complete upon commencement of the Construction Phase, ~~or upon cessation of negotiations with prospective contractors (except as may be required if Exhibit F is a part of this Agreement).~~

A1.04 Construction Phase

A. Upon successful completion of the Bidding ~~and Negotiating~~ Phase, and upon written authorization from Owner, Engineer shall:

1. General Administration of Construction Contract: DELETED
2. *Resident Project Representative (RPR)*: DELETED
3. *Selecting Independent Testing Laboratory*: DELETED
4. *Pre-Construction Conference*: Participate in a Pre-Construction Conference prior to commencement of Work at the Site.
5. *Schedules*: Review and comment on the acceptability of schedules submitted by Contractor(s), as requested by the third-party Construction Manager. (Up to 5 contractor schedules are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.) The Construction Manager and related Resident Project Representative, on-site inspection, testing and other related construction services will be procured and furnished by Owner under separate contract. Receive, review, and determine the acceptability of any and all schedules that Contractor is required to submit to Engineer, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.
6. *Baselines and Benchmarks*: DELETED
7. *Visits to Site and Observation of Construction*: In connection with observations of Contractor's Work while it is in progress:
 - a. Make monthly visits to the Site at intervals appropriate to the various stages of construction, as ~~Engineer deems necessary requested by the Construction Manager~~, to observe as an experienced and qualified design professional the progress of Contractor's executed Work. Such visits and observations by Engineer, ~~and the Resident Project Representative, if any~~, are not intended to be exhaustive or to extend to every aspect of Contractor's Work in progress or to involve detailed inspections of Contractor's Work in progress beyond the responsibilities specifically assigned to Engineer in this Agreement and the Contract Documents, but rather are to be limited to ~~spot checking, selective sampling, and similar methods of~~ general observation of the Work based on Engineer's exercise of professional judgment. (Up to 24 monthly visits are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.), as assisted by the Resident Project Representative, if any. Based on information obtained during such visits and observations, Engineer will determine in general if the Work is proceeding in accordance with the Contract Documents, and Engineer shall keep Owner informed of the progress of the Work.
 - b. The purpose of Engineer's visits to, ~~and representation by the Resident Project Representative, if any, at~~ the Site, will be to enable Engineer to better carry out the

duties and responsibilities assigned to and undertaken by Engineer during the Construction Phase, and, in addition, by the exercise of Engineer's efforts as an experienced and qualified design professional, to provide for Owner a greater degree of confidence that the completed Work will conform in general to the Contract Documents and that Contractor has implemented and maintained the integrity of the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Engineer shall not, during such visits or as a result of such observations of Contractor's Work in progress, supervise, direct, or have control over Contractor's Work, nor shall Engineer have authority over or responsibility for the means, methods, techniques, sequences, or procedures of construction selected or used by Contractor, for security or safety at the Site, for safety precautions and programs incident to Contractor's Work, nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor's furnishing and performing the Work. Accordingly, Engineer neither guarantees the performance of any Contractor nor assumes responsibility for any Contractor's failure to furnish or perform the Work in accordance with the Contract Documents.

8. *Defective Work:* ~~DELETED~~
9. *Clarifications and Interpretations;* ~~Field Orders;~~ ~~Issue necessary;~~ Work with Construction Manager to prepare clarifications and interpretations of the Contract Documents as ~~appropriate requested by the Construction Manager~~ to the orderly completion of Contractor's work. Such clarifications and interpretations will be consistent with the intent of and reasonably inferable from the Contract Documents. (Up to 200 total RFI's are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.) Subject to any limitations in the Contract Documents, Engineer may issue field orders authorizing minor variations in the Work from the requirements of the Contract Documents.
10. *Change Orders and Work Change Directives:* ~~Recommend~~ Work with Construction Manager to prepare change orders and work change directives. (Up to 10 total to Owner, as appropriate, and prepare change orders are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.) and work change directives as required.
11. *Shop Drawings and Samples:* ~~Review and approve or~~ Upon request of the Construction Manager, Engineer shall review and take ~~other~~ appropriate action in respect to Shop Drawings submittals and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents and compatibility with the design concept of the completed Project as a functioning whole as indicated by the Contract Documents. Such reviews ~~and approvals or other action~~ will not extend to means, methods, techniques, sequences, or procedures of construction or to safety precautions and programs incident thereto. (Up to 400 submittals and resubmittals are assumed for general budget information purposes only, the actual work performed will be based on Standard Hourly Rates and Reimbursable Expenses in Exhibit C.) Engineer shall meet any Contractor's submittal schedule that Engineer has accepted.

12. *Substitutes and “or-equal”*: Upon request of the Construction Manager, Engineer shall ~~E~~valuate and determine the acceptability of substitute or “or-equal” materials and equipment proposed by Contractor, ~~but subject to the provisions of Paragraph A2.02.A.2 of this Exhibit A.~~

13. *Inspections and Tests*: DELETED

14. *Disagreements between Owner and Contractor*: DELETED

15. *Applications for Payment*: DELETED

16. *Contractor’s Completion Documents*: DELETED

17. *Substantial Completion*: DELETED

18. *Additional Tasks*: DELETED

19. *Final Notice of Acceptability of the Work*: DELETED

B. *Duration of Construction Phase*: The Construction Phase will commence with the execution of the ~~first~~ Construction Contract for the Project or any part thereof and will terminate upon written recommendation by ~~Engineer~~ Construction Manager for final payment to Contractors. ~~If the Project involves more than one prime contract as indicated in Paragraph A1.03.C, then Construction Phase services may be rendered at different times in respect to the separate contracts.~~ Subject to the provisions of Article 3, Engineer shall be entitled to an equitable increase in compensation if Construction Phase services extend beyond the number of days in the contract ~~Construction Contract. (including Resident Project Representative services, if any) are required after the original date for completion and readiness for final payment of Contractor as set forth in the Construction Contract.~~

C. *Limitation of Responsibilities*: Engineer shall not be responsible for the acts or omissions of any Contractor, Subcontractor or Supplier, or other individuals or entities performing or furnishing any of the Work, for safety or security at the Site, or for safety precautions and programs incident to Contractor's Work, during the Construction Phase or otherwise. Engineer shall not be responsible for the failure of any Contractor to perform or furnish the Work in accordance with the Contract Documents.

A1.05 *Post-Construction Phase*

A. Upon written authorization from Owner, during the Post-Construction Phase Engineer shall:

1. Together with Construction Manager and Owner, visit the Project up to four times to observe any apparent defects in the Work, assist Owner in consultations and discussions with Contractor concerning correction of any such defects, and make recommendations as to replacement or correction of defective Work, if any.

2. Together with Owner or Owner's representative, visit the Project within one month before the end of the correction period to ascertain whether any portion of the Work is subject to correction.

~~3. Perform or provide the following additional Post-Construction Phase tasks or deliverables:~~

~~B. The Post-Construction Phase services may commence during the Construction Phase and, if not otherwise modified in this Exhibit A, will terminate twelve months after the commencement of the Construction Contract's correction period.~~

PART 2 – ADDITIONAL SERVICES

A2.01 Additional Services Requiring Owner's Written Authorization

- A. If authorized in writing by Owner, Engineer shall furnish or obtain from others Additional Services of the types listed below.

1. Preparation of applications and supporting documents (in addition to those furnished under Basic Services) for private or governmental grants, loans, or advances in connection with the Project; preparation or review of new environmental assessments and impact statements; review and evaluation of the effects on the design requirements for the Project of any such statements and documents prepared by others; and assistance in obtaining approvals of authorities having jurisdiction over the anticipated environmental impact of the Project.
2. Services to make measured drawings of or to investigate existing conditions or facilities, or to verify the accuracy of drawings related to buried or underground utilities or underground service connections or similar ~~other~~ information relating to underground facilities furnished by Owner or others.
3. Services resulting from significant changes in the scope, extent, or character of the portions of the Project designed or specified by Engineer or its design requirements including, but not limited to, changes in size, complexity, Owner's schedule, character of construction, ~~or method of financing~~; and revising previously accepted studies, reports, Drawings, Specifications, or Contract Documents when such revisions are required by changes in Laws and Regulations enacted subsequent ~~to the~~ date such documents were originally prepared by Engineer Effective Date or are due to any other causes beyond Engineer's control such as changes in grading, drainage, utilities, extent of existing paving, etc.
4. Additional explorations and tests of subsurface conditions, drawings of physical conditions relating to existing surface or subsurface structures, or hydrographic surveys, with appropriate professional interpretation thereof.
- ~~4. Services resulting from Owner's request to evaluate additional Study and Report Phase alternative solutions beyond those identified in Paragraph A1.01.A.4.~~

~~5. Services required as a result of Owner's providing incomplete or incorrect Project information to Engineer.~~

5. Providing renderings or models for Owner's use.
6. Undertaking investigations and studies including, but not limited to, detailed consideration of operations, maintenance, and overhead expenses; the preparation of financial feasibility and cash flow studies, rate schedules, and appraisals; assistance in obtaining financing for the Project; ~~evaluating processes available for licensing, and assisting Owner in obtaining process licensing;~~ detailed quantity surveys of materials, equipment, and labor; and audits or inventories required in connection with construction performed by Owner.
7. Furnishing services of Consultants for other than Basic Services. Examples of Additional Services would include special environmental studies, environmental audits, hazardous materials investigations or plans, stormwater disposal plans, contractor dewatering plans, surveying, and shoring plans.
8. Services attributable to more than one prime construction contracts. ~~than specified in Paragraph A1.03.D.~~
9. Services during out-of-town travel required of Engineer other than for visits to the Site or Owner's office that are provided under Basic Services.
10. Preparing for, coordinating with, participating in and responding to structured independent review processes, including, but not limited to, ~~construction management team building/partnering,~~ cost estimating, project peer review, value engineering, and constructibility review requested by Owner; and performing or furnishing services required to revise studies, reports, Drawings, Specifications, or other Bidding Documents as a result of such review processes.
11. Preparing additional Bidding Documents or Contract Documents for alternate bids or prices requested by Owner for the Work or a portion thereof.
12. Assistance in connection with Bid protests, rebidding, or renegotiating contracts for construction, materials, equipment, or services. ~~except when such assistance is required by Exhibit F.~~
13. Providing construction surveys and staking; ~~to enable Contractor to perform its work other than as required under Paragraph A1.05.A.6, and~~ any type of property surveys or related engineering services needed for the transfer of interests in real property; preparation or negotiation of easements and rights-of-way (either temporary or permanent) and providing other special field surveys.
14. Providing Construction Phase services beyond the original date for completion and readiness for final payment of Contractor. Providing Construction Phase services such as RFI review, submittal review, meetings and other services in excess of the budget allowances or anticipated number of units described in Basic Services.

15. Providing assistance in responding to the presence of any Constituent of Concern at the Site, in compliance with current Laws and Regulations.
16. Responding to changes in standards, laws and regulations that were not in effect at the time the Engineer's design Documents were completed.
17. Preparing Record Drawings showing appropriate record information based on Project annotated record documents received from Contractor, and furnishing such Record Drawings to Owner.
18. Preparation of operation and maintenance manuals.
19. Preparing startup and training materials.
20. Preparing to serve or serving as a consultant or witness for Owner in any litigation, arbitration, or other dispute resolution process related to the Project.
21. Providing more extensive services required to enable Engineer to issue notices or certifications requested by Owner.
22. Assistance in connection with the adjusting of Project equipment and systems.
23. Assistance to Owner in training Owner's staff to operate and maintain Project equipment and systems.
24. Assistance to Owner in developing procedures for (a) control of the operation and maintenance of Project equipment and systems, and (b) related record-keeping.
25. Overtime work for non-exempt employees requiring higher than regular rates in order to accelerate schedule.
26. Services required to determine and certify that to the best of the Engineer's knowledge and belief all iron, steel, and manufactured goods referenced in the plans, Specifications, bidding documents, and change orders requiring design revisions are either produced in the United States or are the subject of a waiver according to the requirements of Section 1605 of the American Recovery and Reinvestment Act as approved by the Secretary of Agriculture and services required to determine to the best of the Engineer's knowledge and belief that approved substitutes, equals, and Shop Drawings are also either produced in the United States or are the subject of a waiver according to the requirements of Section 1605 of the American Recovery and Reinvestment Act as approved by the Secretary of Agriculture.
27. ~~Other services performed or furnished by Engineer not otherwise provided for in this Agreement.~~

A2.02 *Additional Services Not Requiring Owner's Written Authorization*

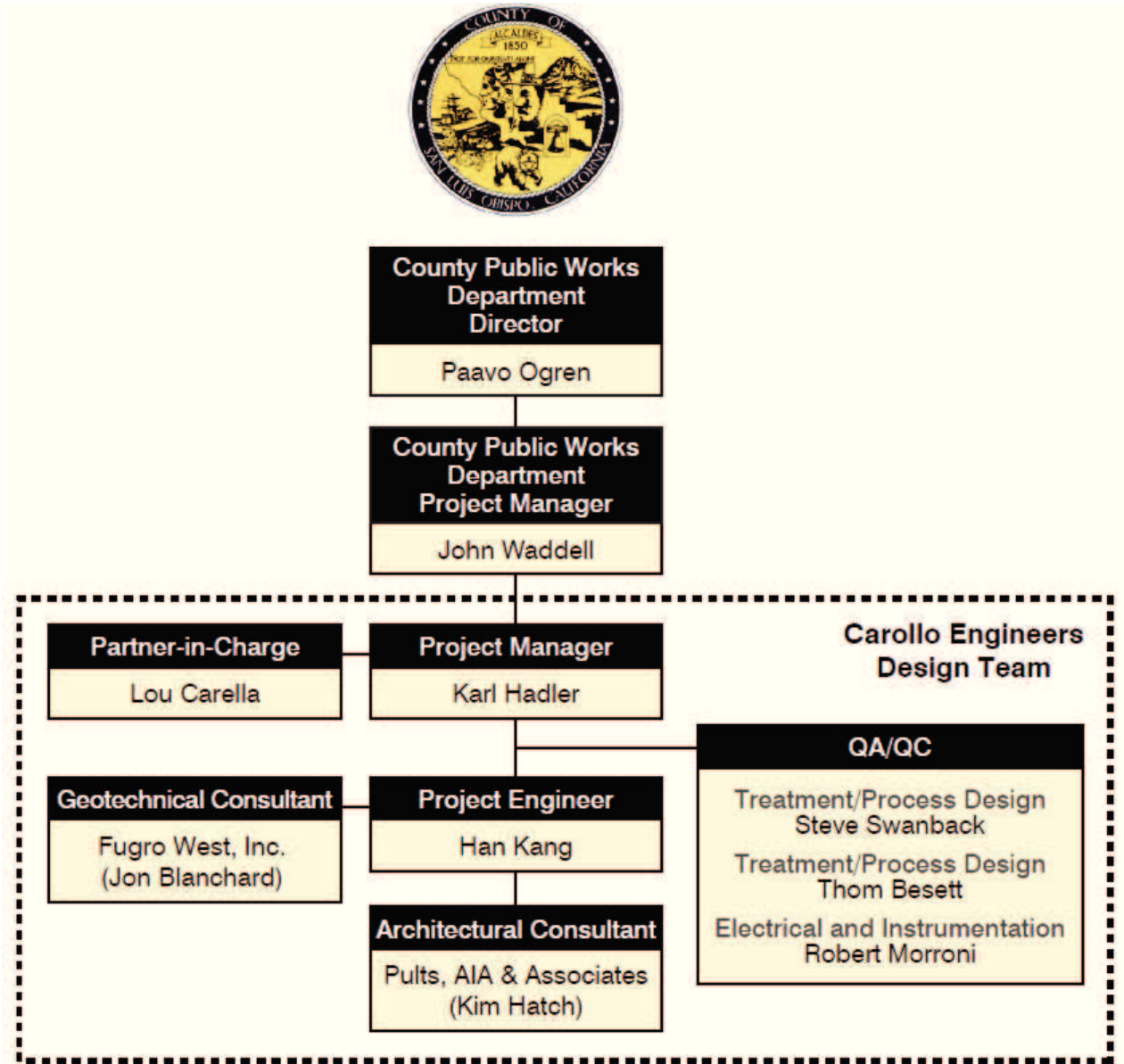
A. Engineer shall advise Owner in advance that Engineer is will immediately commence to perform or furnish the Additional Services of the types listed below. For such Additional Services, Engineer need not request or obtain specific advance written authorization from Owner. Engineer shall cease performing or furnishing such Additional Services upon receipt of written notice from Owner.

1. Services in connection with work change directives and change orders to reflect changes requested by Owner.
2. Services in making revisions to Drawings and Specifications occasioned by the acceptance of substitute materials or equipment other than "or-equal" items; services after the award of the Construction Contract in evaluating and determining the acceptability of a proposed "or equal" or substitution which is found to be inappropriate for the Project; evaluation and determination of an excessive number of proposed "or equals" or substitutions, whether proposed before or after award of the Construction Contract.
3. Services resulting from significant delays, changes, or price increases occurring as a direct or indirect result of materials, equipment, or energy shortages.
4. Additional or extended services during construction made necessary by (1) emergencies or acts of God endangering the Work (advance notice not required), (2) the presence at the Site of any Constituent of Concern or items of historical or cultural significance, (3) Work damaged by fire or other cause during construction, (4) a significant amount of defective, neglected, or delayed work by Contractor, (5) acceleration of the progress schedule involving services beyond normal working hours, or (6) default by Contractor.
5. Services (other than Basic Services during the Post-Construction Phase) in connection with any partial utilization of any part of the Work by Owner prior to Substantial Completion.
6. Evaluating an unreasonable claim or an excessive number of claims submitted by Contractor or others in connection with the Work.
7. Services rendered after the duration specified under Construction Phase above.

~~Services during the Construction Phase rendered after the original date for completion of the Work referred to in A1.05.B.~~
8. Reviewing a Shop Drawing more than three times, as a result of repeated inadequate submissions by Contractor.
9. While at the Site, compliance by Engineer and its staff with those terms of Owner's or Contractor's safety program provided to Engineer subsequent to the Effective Date that exceed those normally required of engineering personnel by federal, state, or local safety authorities for similar construction sites.

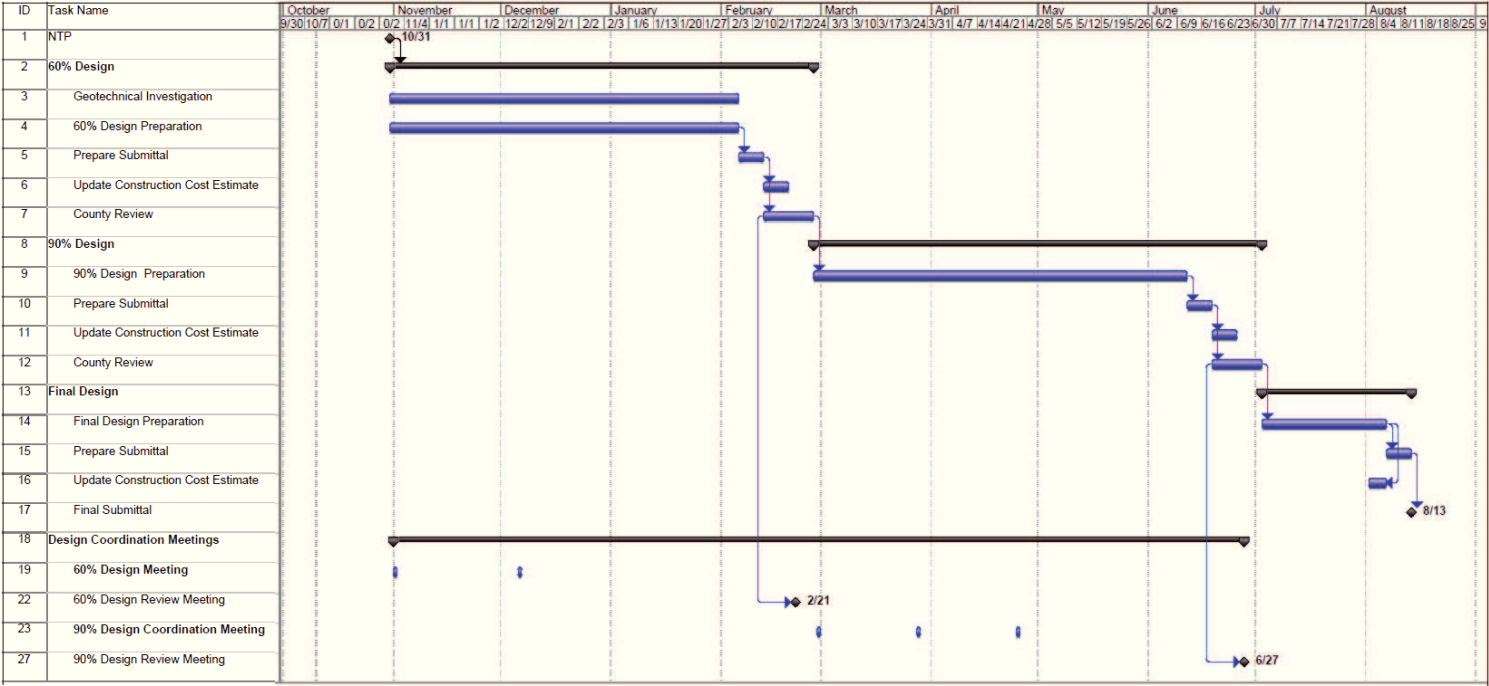
This **Appendix 1** to **EXHIBIT A**, consisting of 1 page, referred to in and part of the **Agreement for Professional Engineering Services** dated November 6, 2012.

Organizational Chart



This **Appendix 2 to EXHIBIT A**, consisting of 1 page, referred to in and part of the **Agreement for Professional Engineering Services** dated November 6, 2012.

Final Design Schedule



This is **EXHIBIT B**, consisting of 3 pages, referred to in and part of the **Agreement ~~between Owner and Engineer~~ for Professional Engineering Services** dated November 6, 2012.

Owner's Responsibilities

Article 2 of the Agreement is supplemented to include the following agreement of the parties.

B2.01 In addition to other responsibilities of Owner as set forth in this Agreement, Owner shall at its expense:

- A. Provide Engineer with all criteria and full information as to Owner's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility, and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which Owner will require to be included in the Drawings and Specifications; and furnish copies of Owner's standard forms, conditions, and related documents for Engineer to include in the Bidding Documents, when applicable.
- B. Furnish to Engineer any other available information pertinent to the Project including reports and data relative to previous designs, or investigation at or adjacent to the Site.
- C. Following Engineer's assessment of initially-available Project information and data and upon Engineer's request, furnish or otherwise make available such additional Project related information and data as is reasonably required to enable Engineer to complete its Basic and Additional Services. Such additional information or data would generally include the following:
 1. Property descriptions.
 2. Zoning, deed, and other land use restrictions.
 3. Property, boundary, easement, right-of-way, and other special surveys or data, including establishing relevant reference points.
 - ~~4. Explorations and tests of subsurface conditions at or contiguous to the Site, drawings of physical conditions relating to existing surface or subsurface structures at the Site, or hydrographic surveys, with appropriate professional interpretation thereof.~~
 4. Environmental assessments, audits, investigations, and impact statements, and other relevant environmental or cultural studies as to the Project, the Site, and adjacent areas.
 5. Data or consultations as required for the Project but not otherwise identified in the Agreement or the Exhibits thereto.
- D. Give prompt written notice to Engineer whenever Owner observes or otherwise becomes aware of the presence at the Site of any Constituent of Concern, or of any other development that affects the

scope or time of performance of Engineer's services, or any defect or nonconformance in Engineer's services, the Work, or in the performance of any Contractor.

- E. Authorize Engineer to provide Additional Services as set forth in Part 2 of Exhibit A of the Agreement as required.
- F. Arrange for safe access to and make all provisions for Engineer to enter upon public and private property as required for Engineer to perform services under the Agreement.
- G. Examine all alternate solutions, studies, reports, sketches, Drawings, Specifications, proposals, and other documents presented by Engineer (including obtaining advice of an attorney, insurance counselor, and other advisors or consultants as Owner deems appropriate with respect to such examination) and render in writing timely decisions pertaining thereto.
- H. Provide reviews, approvals, and permits from all governmental authorities having jurisdiction to approve all phases of the Project designed or specified by Engineer and such reviews, approvals, and consents from others as may be necessary for completion of each phase of the Project.
- I. Recognizing and acknowledging that Engineer's services and expertise do not include the following services, provide, as required for the Project:
 - 1. Accounting, bond and financial advisory, independent cost estimating, and insurance counseling services.
 - 2. Legal services with regard to issues pertaining to the Project as Owner requires, Contractor raises, or Engineer reasonably requests.
 - 3. Such auditing services as Owner requires to ascertain how or for what purpose Contractor has used the moneys paid.
- J. Place and pay for advertisement for Bids in appropriate publications. Print and distribute Bidding Documents.
- K. Advise Engineer of the identity and scope of services of any independent consultants employed by Owner to perform or furnish services in regard to the Project, including, but not limited to, cost estimating, project peer review, value engineering, and constructibility review.
- ~~L. Furnish to Engineer data as to Owner's anticipated costs for services to be provided by others (including, but not limited to, accounting, bond and financial, independent cost estimating, insurance counseling, and legal advice) for Owner so that Engineer may assist Owner in collating the various cost categories which comprise Total Project Costs.~~
- L. When ~~If~~ Owner designates a construction manager or an individual or entity ~~other than, or in addition to, Engineer~~ to represent Owner at the Site, revise Appendix 3 to this Exhibit B, as necessary, to define and set forth ~~as an attachment to this Exhibit B~~ the duties, responsibilities, and limitations of authority of such other party and the relation thereof to the duties, responsibilities, and authority of Engineer.

- M. If more than one prime contract is to be awarded for the Work designed or specified by Engineer, designate a person or entity to have authority and responsibility for coordinating the activities among the various prime Contractors, and define and set forth the duties, responsibilities, and limitations of authority of such individual or entity and the relation thereof to the duties, responsibilities, and authority of Engineer as an attachment to this Exhibit B that is to be mutually agreed upon and made a part of this Agreement before such services begin.
- N. Attend and chair the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job related meetings, and Substantial Completion and final payment visits to the Project.
- O. Upon award of the Construction Contract, the Owner shall prepare the necessary executed copies of the Contract Documents.
- P. Provide the services of an independent testing laboratory to perform all inspections, tests, and approvals of samples, materials, and equipment required by the Contract Documents, or to evaluate the performance of materials, equipment, and facilities of Owner, prior to their incorporation into the Work with appropriate professional interpretation thereof.
- Q. Provide Engineer with the findings and reports generated by the entities providing services to Owner pursuant to this paragraph.
- R. Inform Engineer in writing of any specific requirements of safety or security programs that are applicable to Engineer, as a visitor to the Site.
- S. Preparation of temporary storm water pollution prevention plan (SWPPP) or qualified SWPPP developer (QSD) plans required by agencies.
- ~~The Owner shall pay the Contractor any amounts due under the Construction Contract, but must obtain Agency concurrence prior to issuing such payment.~~
- T. Perform or provide the following additional services
1. Provided, as Appendix 1 to this Exhibit B, a list of "Owner Information" of requirements, policies, procedures, programs, instructions, reports, data, and other information.
 1. Provided, as Appendix 2 to this Exhibit B, a list of "Anticipated Duties of Construction Manager" as a general summary of the construction management duties, relative to the duties of the Engineer under this Agreement.

This is **APPENDIX 1** of **EXHIBIT B**, consisting of 1 pages, referred to in and part of the **Agreement for Professional Engineering Services** dated November 6, 2012.

Owner Information

1. San Luis Obispo County Department of Public Works Public Improvement Standards; Revised Nov. 2008
2. Coastal Development Permit (CDP A-3-SLO-09-055/069) and Conditions; Sept. 7, 2010
3. Los Osos Wastewater Project Environmental Report – Appendix B: Summary of CEQA/NEPA Environmental Mitigation Measures; April 20, 2010
4. Los Osos Wastewater Project Preliminary Engineering Report; May 2010
5. Memorandum: “Guidance Memo No. 2003-02: Guidance Criteria for the Separation of Water Mains and Non-Potable
6. Preliminary Geotechnical Report Los Osos Wastewater Project EIR; May 21, 2008
7. Preliminary Geotechnical Report Los Osos Wastewater Project – Los Osos Mortuary, Giacomazzi, and Branin Properties; July 17, 2007
8. Potable Pipelines” By: David P. Spath, CA Department of Health Services; April 14, 2003
9. USDA Funding Approval Letter of Conditions; August 30, 2010
10. Viable Project Alternatives: Fine Screening Analysis; August 2007

This is **APPENDIX 2** of **EXHIBIT B**, consisting of 3 pages, referred to in and part of the **Agreement for Professional Engineering Services** dated November 6, 2012.

Anticipated Duties of Construction Manager: As of the date of this Agreement, a construction manager has not been designated, nor is there an agreement for services with any firm to provide construction management for the Project. The following is a general summary of anticipated duties of a construction manager, relative to the duties of the Engineer under this Agreement.

<u>DUTY</u>	<u>ENGINEER</u>	<u>CONSTRUCTION MANAGER (CM)</u>
<u>Final Design Phase Services</u>	<u>All services listed in Article A1.03.</u>	<u>Assist Owner with review of design packages and bid documents and submit comments to Owner.</u>
<u>Bidding Phase Services</u>	<u>All services listed in Article A1.04.</u>	<u>Provide information or assistance to Owner in the course of any negotiations with prospective contractors.</u> <u>Consult with Owner as to the acceptability of subcontractors, suppliers, and other individuals and entities proposed by prospective contractors for those portions of the Work as to which such acceptability is required by the bidding documents.</u> <u>If bidding documents require, the CM may evaluate the acceptability of "or equals" and substitute materials and equipment proposed by bidders and submit comments to Owner.</u>
<u>Construction Phase Services</u>		
<u>General Administration of Construction Contract</u>	<u>None.</u>	<u>Authorized to act as Owner's Representative.</u>
<u>Resident Project Representative (Resident Inspector)</u>	<u>None.</u>	<u>Provide the services of an RPR at the Site to provide extensive observation of Contractor's work.</u>
<u>Testing Laboratory Services</u>	<u>None.</u>	<u>Assist Owner in the selection of an independent testing laboratory and coordinate the activities of the materials testing consultant.</u>
<u>Pre-Construction and other Conferences</u>	<u>Attend Pre-Construction Conference and periodic progress meetings during the Construction Phase.</u>	<u>Attend Pre-Construction Conference and chair periodic progress meetings during the Construction Phase and prepare and circulate copies of minutes thereof.</u>
<u>Schedules</u>	<u>Review and comment on the acceptability of</u>	<u>Receive, review, and determine the acceptability of any and all schedules that</u>

	<u>schedules submitted by Contractors, as requested by CM.</u>	<u>Contractors are required to submit, including the Progress Schedule, Schedule of Submittals, and Schedule of Values.</u>
<u>Visits to Site and Observation of Construction</u>	<u>Make monthly visits to site, as requested by CM, to observe the progress of the Work.</u>	<u>Make continuous, ongoing observations of the site and the Work to determine if Work is proceeding in accordance with Contract Documents.</u>
<u>Defective Work</u>	<u>None.</u>	<u>Reject work if the RPR believes that any part of Contractor's Work in progress will not conform generally to the Contract Documents or should be corrected or rejected or should be uncovered for observation, or requires special testing, inspection, or approval.</u>
<u>Clarifications and Interpretations; Field Orders</u>	<u>Work with CM to prepare clarifications and interpretations of the Contract Documents, as requested by CM.</u>	<u>Issue necessary clarifications and interpretations of the Contract Documents as appropriate for the orderly completion of the Contractor's Work.</u>
<u>Change Orders and Work Change Directives</u>	<u>Work with CM to prepare change orders and work change directives that involve design intent, as requested by CM.</u>	<u>Recommend change orders and work change directives to Owner, as appropriate, and prepare change orders and work change directives as required.</u>
<u>Shop Drawings and Samples</u>	<u>Review shop drawings and samples and take appropriate action, as requested by CM.</u>	<u>Review all shop drawings and samples submitted by the Contractor and take appropriate action.</u>
<u>Substitutes and "or equal"</u>	<u>Evaluate and determine the acceptability of substitute and "or equal" materials and equipment, as requested by CM.</u>	<u>Evaluate and determine the acceptability of all substitute and "or equal" materials and equipment proposed by the Contractor.</u>
<u>Inspections and Tests</u>	<u>None.</u>	<u>Require such special inspections or tests of Contractor's work as deemed reasonably necessary, and receive and review all certificates of inspections, tests, and approvals required by Laws and Regulations or the Contract Documents.</u>
<u>Disagreements between Owner and Contractor</u>	<u>None.</u>	<u>Render formal written decisions on all duly submitted issues relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents pertaining to the execution, performance, or progress of Contractor's Work.</u>
<u>Applications for Payment</u>	<u>None.</u>	<u>Determine the amounts that Contractor is</u>

		<u>recommended to be paid. Such recommendations will be in writing and will include supporting documentation.</u>
<u>Contractor's Completion Documents</u>	<u>None.</u>	<u>Receive, review, and transmit to Owner maintenance and operating instructions, schedules, guarantees, bonds, certificates or other evidence of insurance required by the Contract Documents, certificates of inspection, tests and approvals, Shop Drawings, Samples and other data.</u>
<u>Substantial Completion</u>	<u>Visit the site with Owner and CM for a pre-final inspection of substantial completion.</u>	<u>Determine if the Work is substantially complete and provide a certificate of Substantial Completion to Owner, Agency and Contractor.</u>
<u>Final Notice of Acceptability of the Work</u>	<u>Work with CM to review acceptability of the work, as requested by CM.</u>	<u>Conduct a final visit to the Project to determine if the completed Work of Contractor is acceptable and provide a notice that the Work is acceptable.</u>
<u>Post-Construction Phase Services</u>		
<u>Completion Inspection</u>	<u>Visit the site with Owner and CM to observe any apparent defects in the Work, assist Owner in consultations with Contractor concerning correction of any such defects, and make recommendations as to replacement or correction of defective Work, if any.</u>	<u>Visit the site with Owner and Engineer to observe any apparent defects in the Work, assist Owner in consultations with Contractor concerning correction of any such defects, and make recommendations as to replacement or correction of defective Work, if any.</u>
<u>Warranty Inspection</u>	<u>Within one month before the end of the correction period, visit the Project with Owner and CM to ascertain if any portion of the Work is subject to correction.</u>	<u>Within one month before the end of the correction period, visit the Project with Owner and Engineer to ascertain if any portion of the Work is subject to correction.</u>

This is **EXHIBIT C**, consisting of 4 pages, referred to in and part of the Agreement for Professional Engineering Services dated November 6, 2011.

Payments to Engineer for Services and Reimbursable Expenses

COMPENSATION PACKET RUS-CA: Basic and Additional Services – Standard Hourly Rates

Article 2 of the Agreement is amended and supplemented to include the following agreement of the parties:

ARTICLE 2 – OWNER’S RESPONSIBILITIES

C2.01 Compensation for Services – Standard Hourly Rates Method of Payment

A. Owner shall pay Engineer for Basic Services and for Additional Services as follows:

1. An amount equal to the cumulative hours charged to the Project by each class of Engineer’s employees times Standard Hourly Rates for each applicable billing class for all services performed on the Project, plus Reimbursable Expenses and Engineer’s Consultant’s charges, if any, not to exceed the total compensation sum set forth below.
2. Engineer’s Reimbursable Expenses Schedule and Standard Hourly Rates are attached to this Exhibit C as Appendix 1. A detailed breakdown of the estimated hours and fee for each sub-task of the individual phases is attached to this Exhibit C as Appendix 2.
3. The total compensation for Basic Services under Paragraph C2.01 is not to exceed \$4,596,761, with an Additional Services Contingency fund of \$229,838, based on the following assumed distribution of compensation:

BASIC SERVICES

<u>a. Final Design Phase</u>	<u>\$ 2,918,423</u>
<u>b. Bidding Phase</u>	<u>\$ 115,706</u>
<u>c. Project Management – Design and Bidding Phase</u>	<u>\$ 187,303</u>
<u>Subtotal – Design and Bidding Phases</u>	<u>\$3,221,432</u>
<u>d. Construction Phase</u>	<u>\$1,286,254</u>
<u>e. Post Construction Phase</u>	<u>\$ 22,659</u>
<u>f. Project Management – Construction and Post Construction Phase</u>	<u>\$ 66,416</u>
<u>Subtotal – Construction and Post Construction Phase</u>	<u>\$1,375,329</u>
<u>Total – Basic Services</u>	<u>\$4,596,761</u>

ADDITIONAL SERVICES

<u>g. Design and Bidding Phase – (5% Contingency)</u>	<u>\$ 161,072</u>
<u>h. Construction Phase – (5% Contingency)</u>	<u>\$ 68,766</u>

Total – Additional Services Contingency \$ 229,838

Owner’s approval of this Agreement does not constitute written authorization of the Additional Services listed above. Engineer shall obtain Owner’s written authorization, and Agency concurrence, prior to furnishing any Additional Services pursuant to Paragraph A2.01.

4. Engineer may alter the distribution of compensation between individual Design and Bidding Phases (Items a through c, above) of the work noted herein, with concurrence of Owner and Agency, to be consistent with services actually rendered, but shall not exceed the total estimated compensation amount for those phases unless approved in writing by Owner, with Agency concurrence.
5. The Engineer acknowledges that the Basic Services for the Construction Phase or Post Construction Phase (Items d through f, above) are not yet authorized by the Owner, and such authorization can only come from a subsequent authorization by the Owner’s Board of Supervisors (Board). If the Owner’s Board does not authorize the Engineer to proceed with the Construction Phase and Post-Construction Phase services, the Engineer shall not be entitled to any compensation for any services related to these Phases. Engineer shall not proceed with services for the Construction Phase or Post Construction Phase (Items d through f, above) without a written authorization of Notice to Proceed from Owner.
6. The Additional Services Contingency fund (Items g through h, above) is created to address changes to the scope of services. The Owner hereby delegates to the Director of Public Works and Transportation the authority to sign amendments to this Agreement that make reasonable modifications to the time of performance or the scope of services, provided that all such amendments do not cumulatively exceed the contingency fund. Any other amendments must be approved by the Owner’s County Board of Supervisors.
7. The total estimated compensation for Engineer’s services included in the breakdown by phases as noted in Paragraph C2.01.A.3 incorporates all labor, overhead, profit, Reimbursable Expenses and Engineer’s Consultant’s charges.
8. The amounts billed for Engineer’s services under Paragraph C2.01 will be based on the cumulative hours charged to the Project during the billing period by each class of Engineer’s employees times Standard Hourly Rates for each applicable billing class, plus Reimbursable Expenses and Engineer’s Consultant’s charges. Billing invoices shall list hourly charges and expenses by each sub-task and phase listed in Appendix 2 to this Exhibit C.

9. The Standard Hourly Rates and Reimbursable Expenses Schedule may be adjusted annually by Amendment to the Agreement (as of October 2012) to reflect equitable changes in the compensation payable to Engineer. Modifications to fees shall be made by Amendment.

C2.02 Compensation for Reimbursable Expenses

- A. Owner shall pay Engineer for all Reimbursable Expenses at the rates set forth in Appendix 1 to this Exhibit C.
- B. Reimbursable Expenses include the following categories: transportation and subsistence incidental thereto reproduction of reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Exhibit A, and, if authorized in advance by Owner, overtime work requiring higher than regular rates. In addition, if authorized in advance by Owner, Reimbursable Expenses will also include expenses incurred for computer time and the use of other highly specialized equipment.
- C. The amounts payable to Engineer for Reimbursable Expenses will be the Project-related internal expenses actually incurred or allocated by Engineer, plus all invoiced external Reimbursable Expenses allocable to the Project. External expenses are limited to sub-consultant or subcontracted services.

C2.03 Other Provisions Concerning Payment

- A. Whenever Engineer is entitled to compensation for the charges of Engineer's Consultants, those charges shall be the amounts billed by Engineer's Consultants to Engineer times a Factor of 10%.
- B. Factors. The external Reimbursable Expenses and Engineer's Consultant's factors include Engineer's overhead and profit associated with Engineer's responsibility for the administration of such services and costs.
- C. Estimated Compensation Amounts. Engineer is responsible for monitoring charges being generated under this Agreement. When estimated amounts for total compensation or individual phases of the work have been stated herein and it subsequently becomes apparent to Engineer that a compensation amount thus estimated will be exceeded, Engineer shall give Owner written notice thereof. Promptly thereafter Owner and Engineer shall review the matter of services remaining to be performed and compensation for such services. Owner shall either agree to such compensation exceeding said estimated amount or Owner and Engineer shall agree to a reduction in the remaining services to be rendered by Engineer, so that total compensation for such services will not exceed said estimated amount when such services are completed. Modifications to fees shall be made by Amendment.
- D. To the extent necessary to verify Engineer's charges and upon Owner's timely request, Engineer shall make copies of such records available to Owner at cost.

This is **Appendix 1 to EXHIBIT C**, consisting of 2 pages, referred to in and part of the Agreement ~~between Owner and Engineer~~ for Professional Engineering Services dated November 6, 2012.

Reimbursable Expenses Schedule

Current agreements for engineering services stipulate that the Reimbursable Expenses are subject to review and adjustment per Exhibit C. Reimbursable expenses for services performed on the date of the Agreement are listed below:

Standard Hourly Rates Schedule

A. Standard Hourly Rates:

1. Standard Hourly Rates are set forth in this Appendix 2 to this Exhibit C and include salaries and wages paid to personnel in each billing class plus the cost of customary and statutory benefits, general and administrative overhead, non-project operating costs, and operating margin or profit.
2. The Standard Hourly Rates apply only as specified in Article C2.

B. Schedule:

Hourly rates for services performed on or after the date of the Agreement are listed below:



**CAROLLO ENGINEERS, INC.
FEE SCHEDULE**

**As of March 1, 2012
California**

	<u>Hourly Rate</u>
Engineers/Scientists	
Assistant Professional	\$144.00
Professional	176.00
Project Professional	209.00
Lead Project Professional	229.00
Senior Professional	234.00
Technicians	
Technicians	107.00
Senior Technicians	152.00
Support Staff	
Document Processing / Clerical	96.00
Project Equipment Communication Expense (PECE) Per DL Hour	8.50
Other Direct Expenses	
Reimbursable Expenses	at cost
Mileage at IRS Reimbursement Rate Effective January 1, 2011:	\$.555 per mile
Subconsultant	cost + 10%

This fee schedule is subject to annual revisions due to labor adjustments.

pw:\PHX-POP-PW\Carollo.local\Carollo\Documents\Client\CA\SLO County\8930A10\Project Management\Contracts\2012 Fee Schedule CA with PECE.docx

This Appendix 2 to EXHIBIT C, consisting of 2 pages, referred to in and part of the Agreement for Professional Engineering Services dated November 6, 2012.

Task Breakdown

EXHIBIT B - LABOR ESTIMATE

SAN LUIS OBISPO COUNTY
Los Osos Water Recycling Facility Final Design and Construction Engineering Services

Task	Task Description	PIC	PM	PE/ SR ENG/ DIS ENG	ENG	CAD	SUPPORT	Total Hours	Labor Cost	Other Direct Costs (ODC)							Total Cost
										PECE	Printing	Subcontractor	Mileage Trips	Amount	Travel	ODC Total	
1.0	Project Management Support																
1.1	Project Management Meetings	8	45	45	0	0	12	108	\$21,368	\$918	\$0	\$0	2	\$500	\$2,100	\$3,518	\$24,884
1.2	Progress Reports and Cost/Schedule Control	6	36	0	0	0	12	54	\$10,800	\$459	\$100	\$0	0	\$0	\$0	\$559	\$10,639
1.3	QA/QC Activities	16	16	664	0	0	0	696	\$145,894	\$5,916	\$0	\$0	0	\$0	\$0	\$5,916	\$151,780
	Task 1 Totals =	28	97	709	0	0	24	858	\$177,310	\$7,283	\$100	\$0	2	\$500	\$2,100	\$8,983	\$187,303
2.0	Final Design																
2.1	Geotechnical Investigation	0	8	24	0	0	0	32	\$6,688	\$272	\$0	\$115,000	0	\$0	\$0	\$115,272	\$121,960
2.2	Final Design Drawings and Specifications	150	1200	1800	4900	5000	1400	14450	\$2,418,900	\$122,825	\$8,000	\$102,000	0	\$0	\$0	\$230,825	\$2,649,725
2.3	Permit Support	0	16	48	16	0	0	80	\$16,192	\$680	\$0	\$6,800	1	\$250	\$1,050	\$8,580	\$24,772
2.4	Engineer's Cost Estimate	16	24	40	160	0	0	240	\$45,280	\$2,040	\$0	\$4,400	0	\$0	\$0	\$6,440	\$51,720
2.5	Engineer's Construction Schedule	0	4	12	0	0	0	16	\$3,344	\$136	\$0	\$0	0	\$0	\$0	\$136	\$3,480
2.6	Focus Meetings	0	20	120	20	0	0	160	\$32,780	\$1,360	\$0	\$0	5	\$1,249	\$5,250	\$7,859	\$40,639
2.7	Design Briefings	16	32	40	16	0	8	112	\$22,216	\$952	\$200	\$0	2	\$500	\$2,100	\$3,752	\$26,128
	Task 2 Totals =	182	1304	2084	5112	5000	1408	15080	\$2,545,560	\$128,285	\$8,200	\$226,000	8	\$1,898	\$8,400	\$372,883	\$2,918,423
3.0	Bidding Support																
3.1	Pre-Bid Conference	0	8	8	0	0	0	16	\$3,344	\$136	\$0	\$0	1	\$250	\$1,050	\$1,436	\$4,780
3.2	Addenda	0	8	64	24	16	8	120	\$22,472	\$1,020	\$100	\$8,600	0	\$0	\$0	\$7,720	\$30,192
3.3	Contract Negotiation Support	0	8	8	0	0	0	16	\$3,344	\$136	\$0	\$0	0	\$0	\$0	\$136	\$3,480
3.4	Subcontractor/Supplier Review	0	4	16	0	0	0	20	\$4,180	\$170	\$0	\$0	0	\$0	\$0	\$170	\$4,350
3.5	Substitution Review	0	4	40	36	0	0	80	\$15,532	\$680	\$0	\$2,200	0	\$0	\$0	\$2,880	\$18,412
3.6	Confirmed Documents Preparation	0	0	60	0	180	16	256	\$41,436	\$2,176	\$3,000	\$4,400	0	\$0	\$0	\$9,576	\$51,012
3.7	Bid Opening Support	0	8	8	0	0	0	16	\$3,344	\$136	\$0	\$0	0	\$0	\$0	\$136	\$3,480
	Task 3 Totals =	0	40	204	60	196	24	524	\$93,652	\$4,454	\$3,100	\$13,200	1	\$250	\$1,050	\$22,054	\$115,706
	TOTALS	210	1441	2997	5172	5196	1456	16472	\$2,816,522	\$140,012	\$9,400	\$241,200	11	\$2,747	\$11,550	\$404,909	\$3,221,432

Legend:
PIC Partner-in-Charge
PM Project Manager
PE Project Engineer
DIS ENG Discipline Engineer (Project Professional) - Electrical, Structural, Etc.
SR ENG Senior Engineer (Project Professional)
ENG Engineer (Professional)
CAD CAD Technician
SUPPORT Support Staff
PECE Project Equipment and Communication Expense

Notes:
1. Mileage Based on \$0.555/mile
450 Miles per trip
2. PECE Based on \$8.50/ staff hour
3. Rates are based on the 2012 fee schedule. Rates are subject to change annually beginning on March 1, 2014.

EXHIBIT B - LABOR ESTIMATE
SAN LUIS OBISPO COUNTY
Los Osos Water Recycling Facility Final Design and Construction Engineering Services

Task	Task Description	PIC	PM	PE/GR DIS ENG	ENG	CAD	SUPPORT	Total Hours	Labor Cost	Other Direct Costs (ODC)							Total Cost
										PECE \$8.50	Printing	Subcontractant	Mileage Trips	Amount	Travel	ODC Total	
1.0	Construction Services																
1.0	Project Management Support																
1.1	Project Management Meetings	4	48	48	0	0	24	124	\$23,304	\$1,054	\$0	\$0	0	\$0	\$0	\$1,054	\$24,358
1.2	Progress Reports and Cost/Schedule Control	4	48	0	0	0	24	76	\$13,272	\$646	\$100	\$0	0	\$0	\$0	\$746	\$14,018
1.3	QA/QC Activities	8	40	80	0	0	0	128	\$28,952	\$1,088	\$0	\$0	0	\$0	\$0	\$1,088	\$28,040
	Task 1 Totals =	16	136	128	0	0	48	328	\$65,528	\$2,788	\$100	\$0	0	\$0	\$0	\$2,888	\$68,416
2.0	Engineering Services During Construction																
2.1	Pre-Construction Conference	8	8	16	0	0	0	32	\$8,888	\$272	\$0	\$0	1	\$250	\$1,050	\$1,572	\$8,460
2.2	Review Contractor Schedule	0	0	16	0	0	0	16	\$3,344	\$136	\$0	\$0	0	\$0	\$0	\$136	\$3,480
2.3	Monthly Site Visits	0	96	288	0	0	0	384	\$90,256	\$3,264	\$0	\$0	24	\$5,994	\$18,000	\$27,258	\$107,514
2.4	RFR Responses	0	80	440	400	80	0	1000	\$191,240	\$8,500	\$0	\$4,000	0	\$0	\$0	\$12,500	\$203,740
2.5	Change Order Support	0	40	160	160	40	0	400	\$76,040	\$3,400	\$0	\$3,000	0	\$0	\$0	\$6,400	\$82,440
2.6	Submittal Review	0	240	1600	2160	0	0	4000	\$764,720	\$34,000	\$0	\$30,000	0	\$0	\$0	\$64,000	\$828,720
2.7	Substitution Review	0	20	120	100	0	0	240	\$46,880	\$2,040	\$0	\$3,000	0	\$0	\$0	\$5,040	\$51,920
	Task 2 Totals =	8	484	2840	2820	120	0	6072	\$1,189,348	\$51,812	\$0	\$40,000	25	\$8,244	\$19,050	\$116,808	\$1,286,254
3.0	Post-Construction Support																
3.1	Warranty Period Support	0	8	32	0	0	0	40	\$8,360	\$340	\$0	\$500	4	\$989	\$4,200	\$6,039	\$14,399
3.2	End of Warranty Period Check-out	0	16	16	0	0	0	32	\$6,688	\$272	\$0	\$0	1	\$250	\$1,050	\$1,572	\$8,260
	Task 3 Totals =	0	24	48	0	0	0	72	\$15,048	\$612	\$0	\$500	5	\$1,249	\$5,250	\$7,611	\$22,659
	TOTALS	24	644	2816	2820	120	48	6472	\$1,247,924	\$55,012	\$100	\$40,500	30	\$7,493	\$24,300	\$127,405	\$1,375,329

Legend:
PIC Partner-in-Charge
PM Project Manager
PE Project Engineer
DIS ENG Discipline Engineer (Project Professional) - Electrical, Structural, Etc.
SR ENG Senior Engineer (Project Professional)
ENG Engineer (Professionals)
CAD CAD Technician
SUPPORT Support Staff
PECE Project Equipment and Communication Expense

Notes:
1. Mileage Based on \$0.55/mile
450 Miles per trip
2. PECE Based on \$8.50/ staff hour
3. Rates are based on the 2012 fee schedule. Rates are subject to change annually beginning on March 1, 2014.

This is **EXHIBIT G**, consisting of 5 pages, referred to in and part of the **Agreement ~~between Owner and Engineer~~ for Professional Engineering Services** dated November 6, 2012.

Insurance

~~Paragraph~~ Article 6.04 of the Agreement is supplemented to include the following agreement of the parties.

G6.04 *Insurance*

A. The limits of liability for the insurance required by Paragraph 6.04.A and 6.04.B of the Agreement are as follows:

1. By Engineer:

a. Workers' Compensation:

Statutory

b. Employer's Liability --

1) Each Accident:

\$1,000,000

2) Disease, Policy Limit:

\$1,000,000

3) Disease, Each Employee:

\$1,000,000

c. General Liability --

1) Each Occurrence (Bodily Injury and Property Damage):

\$1,000,000

2) General Aggregate:

\$2,000,000--

d. Excess or Umbrella Liability --

1) Each Occurrence:

\$5,000,000

2) General Aggregate:

\$5,000,000

e. Automobile Liability --Combined Single Limit (Bodily Injury and Property Damage):

Each Accident

\$1,000,000

f. Professional Liability --

1) Each Claim Made

\$3,000,000

2) Annual Aggregate

\$8,000,000

g. Other (specify):

\$ _____

2. By Owner:

a. Workers' Compensation:

Statutory

b. Employer's Liability --

- | | |
|---------------------------|--------------------|
| 1) Each Accident | <u>\$1,000,000</u> |
| 2) Disease, Policy Limit | <u>\$1,000,000</u> |
| 3) Disease, Each Employee | <u>\$1,000,000</u> |

c. General Liability --

- | | |
|---|--------------------|
| 1) General Aggregate: | <u>\$1,000,000</u> |
| 2) Each Occurrence (Bodily Injury and Property Damage): | <u>\$1,000,000</u> |

d. Excess Umbrella Liability --

- | | |
|-----------------------|--------------------|
| 1) Each Occurrence: | <u>\$5,000,000</u> |
| 2) General Aggregate: | <u>\$5,000,000</u> |

e. Automobile Liability --Combined Single Limit (Bodily Injury and Property Damage):

Each Accident:	<u>\$1,000,000</u>
----------------	--------------------

f. Other (specify): \$ _____

B. Additional Insureds:

1. The following persons or entities are to be listed on Owner's general liability policies of insurance as additional insureds, and on any applicable property insurance policy as loss payees, as provided in Paragraph 6.04.B:

- a. _____
Engineer
- b. _____
Engineer's Consultant
- c. _____
Engineer's Consultant

- 2. During the term of this Agreement the Engineer shall notify Owner of any other Consultant to be listed as an additional insured on Owner's general liability and property policies of insurance.
- 3. The Owner shall be listed on Engineer's general liability policy as provided in Paragraph 6.04.A.

C. Engineer, at its sole cost, shall purchase and maintain the insurance policies set forth below on all of its operations under this Agreement. All of the insurance companies providing insurance for Engineer shall have, and provide evidence of, an A.M. Best & Co. rating of A:VII or above, unless exception is granted by Owner's Risk Manager. Further, all policies shall be maintained for the full term of this Agreement and related warranty period if applicable.

D. Scope of Required Insurance Policies

- 1. Commercial General Liability: Policy shall include coverage at least as broad as set forth in Insurance Services Office Commercial General Liability Coverage (CG 00 01) with policy limits not less than provided in Paragraph 6.04.A. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
 - a. The Owner, named as the County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement.
 - b. The insurance provided herein shall be considered primary coverage to the Owner with respect to any insurance or self insured retention maintained by the Owner. Further, the Owner's insurance shall be considered excess insurance only and shall not be called upon to contribute to this insurance.
 - c. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the Owner's designated representative listed in Paragraph 8.03.A.

- d. If the policy includes a general aggregate, either the general aggregate shall apply separately to this Project, service or location or the minimum required aggregate limit shall be twice the per occurrence limit.
 - 2. Business Automobile Policy: Policy shall include coverage at least as broad as set forth in the liability section of Insurance Services Office Business Auto Coverage (CA 00 01) with policy limits of no less than provided in Paragraph 6.04.A. Said insurance shall include coverage for owned, non-owned, and hired vehicles. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
 - a. The Owner, named as the County of San Luis Obispo, its officers and employees, is named as an additional insured for all liability arising out of the operations by or on behalf of the named insured in the performance of this Agreement. ISO form CG 10 20 (11/85) or it equivalent is required. The endorsement must not exclude products and completed operations coverage. If it does then CG 20 37 (10/01) is also required.
 - b. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the Owner's designated representative listed in Paragraph 8.03.A.
 - 3. Workers' Compensation: Policy shall provide statutory limits as required by State of California. Policy shall be endorsed with the following specific language or contain equivalent language in the policy:
 - a. Engineer and its insurer shall waive all rights of subrogation against the Owner, its officers and employees for workers' compensation losses arising out of this Agreement.
 - b. The policy shall not be cancelled or materially changed without first giving thirty days prior written notice to the Owner's designated representative listed in Paragraph 8.03.A.
 - 4. Employer's Liability: Policy shall provide limits of no less than provided in Paragraph 6.04.A per accident for bodily injury or disease.
 - 5. Professional Liability or Errors & Omissions Liability: Policy shall be appropriate to the Engineer's profession, with a limit of no less than provided in Paragraph 6.04.A.
- E. Deductibles and Self-Insurance Retentions: All deductibles and/or self-insured retentions which apply to the insurance policies required herein will be declared in writing and approved by the Owner prior to commencement of this Agreement.
- F. Documentation: Prior to commencement of work and annually thereafter for the term of this Agreement, Engineer will provide to the Owner's designated representative listed in Paragraph 8.03.A properly executed certificates of insurance clearly evidencing the coverage, limits, and endorsements specified in this Agreement. Further, at the Onwer's request, the Engineer shall provide certified copies of the insurance policies within thirty days of request.
- G. Absence of Insurance Coverage: In accordance with Article 6.05, Owner may direct Engineer to immediately cease all activities with respect to this Agreement if it determines that Engineer fails

to carry, in full force and effect, all insurance policies with coverage levels at or above the limits specified in this Agreement. Any delays or expense caused due to stopping of work and change of insurance shall be considered Engineer's delay and expense.

This is **EXHIBIT H**, consisting of 1 page, referred to in and part of the Agreement ~~between Owner and Engineer~~ for Professional Engineering Services dated November 6, 2012.

Dispute Resolution

~~Paragraph Article~~ 6.08 of the Agreement is amended and supplemented to include the following agreement of the parties:

H6.08 Dispute Resolution

- A. *Mediation*: Owner and Engineer agree that they shall first submit any and all unsettled claims, counterclaims, disputes, and other matters in question between them arising out of or relating to this Agreement or the breach thereof (“Disputes”) to mediation by mutually agreeable mediation service located in San Luis Obispo, California. Owner and Engineer agree to participate in the mediation process in good faith. The process shall be conducted on a confidential basis, and shall be completed within 120 days. If such mediation is unsuccessful in resolving a Dispute, then (1) the parties may mutually agree to a dispute resolution of their choice, or (2) either party may seek to have the Dispute resolved by a court of competent jurisdiction.

This is **EXHIBIT K**, consisting of 2 pages, referred to in and part of the Agreement ~~between Owner and Engineer~~ for Professional Engineering Services dated November 6, 2012.

AMENDMENT TO OWNER-ENGINEER AGREEMENT
Amendment No. _____

1. *Background Data:*

- a. Effective Date of Owner-Engineer Agreement: _____
- b. Owner: County of San Luis Obispo
- c. Engineer: Carollo Engineers
- d. Project: Los Osos Water Recycling Facility, Los Osos, California

2. Description of Modifications:

- a. Engineer shall perform or furnish the following Additional Services:
- b. The Scope of Services currently authorized to be performed by Engineer in accordance with the Agreement and previous amendments, if any, is modified as follows:
- c. The responsibilities of Owner are modified as follows:
- d. For the Additional Services or the modifications to services set forth above, Owner shall pay Engineer the following additional or modified compensation:
- e. The schedule for rendering services is modified as follows:
- f. Other portions of the Agreement (including previous amendments, if any) are modified as follows:

[List other Attachments, if any]

3. Agreement Summary (Reference only)

- a. Original Agreement amount: \$ _____
- b. Net change for prior amendments: \$ _____
- c. This amendment amount: \$ _____
- d. Adjusted Agreement amount: \$ _____

The foregoing Agreement Summary is for reference only and does not alter the terms of the Agreement, including those set forth in Exhibit C.

Owner and Engineer hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is _____.

OWNER:

ENGINEER:

By: _____

By: _____

Title: _____

Title: _____

Date
Signed: _____

Date Signed: _____

NOTICE OF COMPLETION OF PROJECT DOCUMENT

ACKNOWLEDGEMENT:

Dated: _____

This **EXHIBIT M**, consisting of 348 pages, referred to in and part of the **Agreement for Professional Engineering Services** dated November 6, 2012.

DRAFT BASIS OF DESIGN REPORT

SEE FOLLOWING DOCUMENT PREPARED BY CAROLLO ENGINEERS DATED OCTOBER 2012

Page 12

(Exhibit M - Draft Basis of Design Report)

EJCDC E-500 Agreement ~~Between Owner and Engineer~~ for Professional Engineering Services.
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